

STEEL OF EMPIRE

JOHN MURRAY GIBBON

PACIFIC OCEAN



CANADA

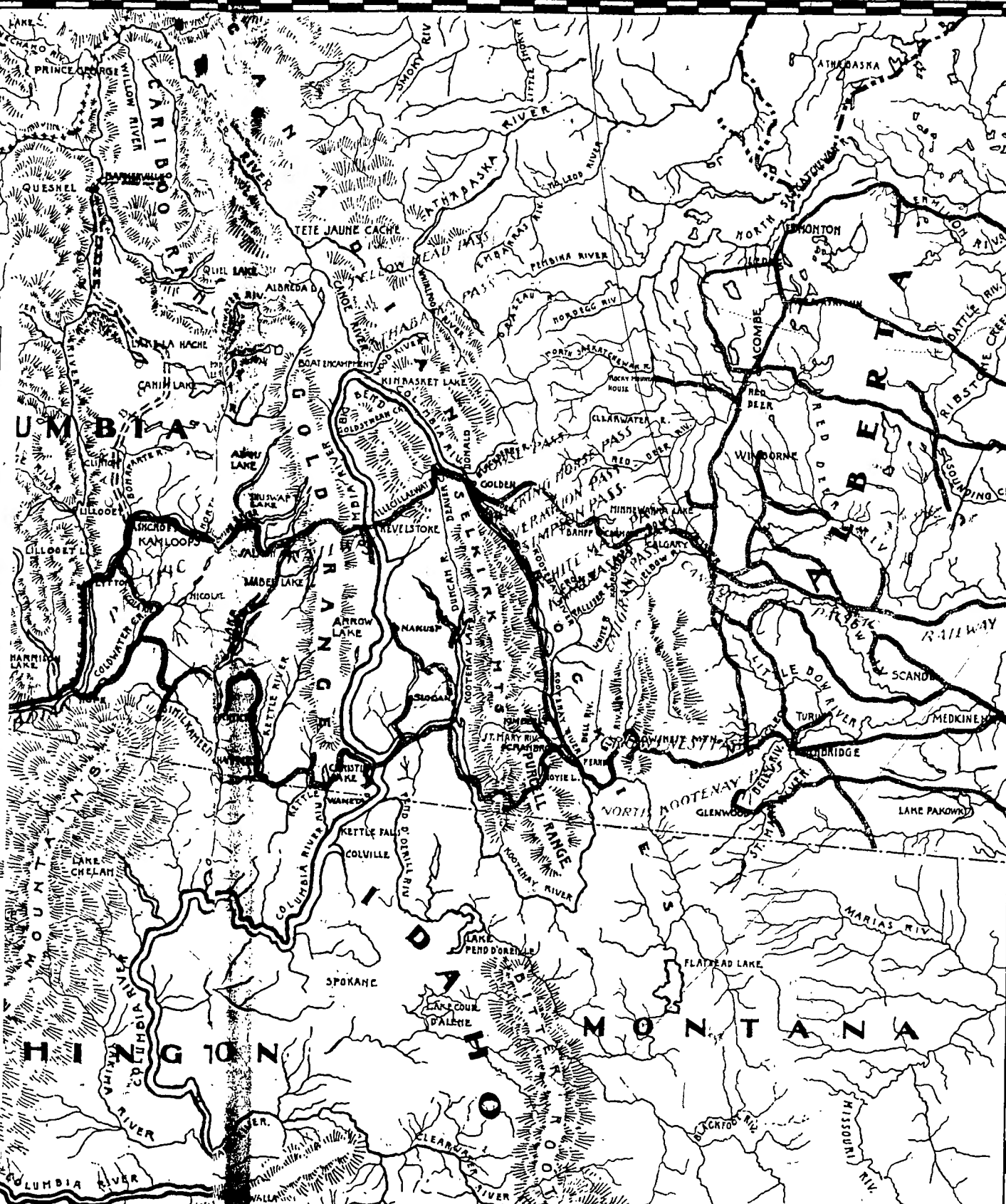
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STEEL OF EMPIRE

COLOURED



From the painting by Wyatt Eaton.

Baron Strathcona and Mount Royal, G.C.M.G., G.C.V.O.
(Donald A. Smith) (1820-1914)

STEEL *of* EMPIRE

*The Romantic History of the
Canadian Pacific, the
Northwest Passage
of Today*

by

JOHN MURRAY GIBBON

*"Study the past if you
would divine the future"*

—CONFUCIUS

ILLUSTRATED

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CONTENTS

CHAPTER

PAGE

I THE LURE OF CATHAY

1

The river of ideas—Marco Polo creates the lure of Cathay—Columbus seeks a direct western route—Spaniards find their El Dorado in Mexico and Peru—Portuguese reach Cathay by rounding the Cape of Good Hope—French explore the St. Lawrence River and thereby find fortune in furs—English seek Cathay by the Northwest Passage—Drake explores the Pacific—Dutch colonise the Hudson River—East India Company enters the Orient—Hui Sien, Chinese missionary, discovers America in 499 A.D.

II FRENCH FUR TRADERS

18

Idea of the St. Lawrence route developed by the French—Champlain—Joliet—Marquette—La Salle—Mississippi Company—Beaver, fur and fashion—Hudson's Bay Company—French fur traders—La Vérendrye—England wins the fur country of Canada from the French.

III CHINESE INFLUENCE ON EUROPE

29

Ideas of China influence Europe—China tea introduced into England by a Portuguese Princess—Chinese porcelain—Chinoiserie—Chinese influence on literature, architecture and gardens—Dutch East India Company—Luxury of the Nabobs—An embassy that failed—Northwest Passage sought by way of the Pacific.

IV OVERLAND TO THE PACIFIC

37

Scottish merchants of Montreal take over the French fur-trade route—St. Annes—Alexander Mackenzie reaches the Arctic by the Mackenzie River—Americans enter the tea trade with China—Canton the fur market of the Orient—Captain Cook in the Pacific—Nootka and the fur traders—Alexander Mackenzie crosses the Canadian Rockies to reach the Pacific—Captain Vancouver—Alexander Mackenzie's plan of an Imperial Company to dominate the Pacific—David Thompson—Simon Fraser.

V ASTORIAN ADVENTURE

49

Idea of Astoria—John Jacob Astor, fur trader and tea merchant, plans with Jefferson to anticipate the British—Lewis and Clarke Expedition—The *Tonquin*—Sandwich Islands—Astoria—Outmanoeuvred by the Nor'westers—Donald Mackenzie as Machiavelli—The Beaver Club celebrates—Patriotism tempered with business—Growth of tea drinking among fur traders—John McLoughlin at Fort Vancouver on the Columbia.

CONTENTS—*Continued*

CHAPTER	PAGE
VI WATERWAYS	59
Transportation by waterway—Canoes run on time—Masters of the Wilderness—Princely fare—Meeting place at Fort William—Route of the Nor'westers—York boats and batteaux—Tom Moore's Canadian boat song.	
VII CANADA IN THE FORTIES	70
Lachine—Donald A. Smith arrives—Canada in 1838—First Canadian railway—Lord Durham's vision—Early railroads in the United States—Canada lags behind—Tide of immigration—Roads—Canals and waterways—Shipbuilding in Canada—Allan Line the pioneer—Colonisation—William Lyon Mackenzie—John A. Macdonald—James Douglas.	
VIII OPENING OF CHINA AND JAPAN	84
Lure of the Pacific continues—Opium Trade—Chinese War of 1840 makes Hong Kong a British Colony—Hawaii—Australia—New Zealand—Gold discovered in California—Japan opened to European trade by Commodore Perry—Hong Kong enlarged following Chinese War of 1860.	
IX COLUMBIA AND FRASER RIVERS	93
Sir George Simpson's overland trip round the world—Simpson Pass—Sitka—Hawaiian fashions—The Columbia River—Oregon boundary question—Hudson's Bay Company moves to Fort Victoria on Vancouver Island—Fraser River now the route to the interior—New Caledonia renamed British Columbia—Cariboo gold rush.	
X PIERCING MOUNTAIN BARRIERS	105
Milton and Cheadle declare for the Northwest Passage by land—Walter Moberly discovers the Eagle Pass over the Gold Range—How the Kicking Horse River got its name—Bute Inlet comes into the picture—Alfred Waddington's abortive effort.	
XI NEW BLOOD FROM SCOTLAND	114
Atlantic Service and the Allans—More new blood from Scotland—George Stephen brings new ideas on merchandising—Colonel Garnet Wolseley on the Chinese—The Bank of Montreal—R. B. Angus.	
XII RAILWAYS AND EXPLORATION	123
John A. Macdonald on transportation—Roads and railways—The United States rushes into railroad construction—Canadian promoters—Interest in the western prairies—Captain John Palliser—S. J. Dawson—Henry Youle Hind—The Red River settlement asks for a road—First steamers	

CONTENTS—*Continued*

CHAPTER

PAGE

on the Red River—John A. Macdonald looks to the East—
The Intercolonial Railway—Sandford Fleming.

XIII CONFEDERATION

137

Political ideas bring a new current to swell the stream—
Immigration—Leaders in the idea of Confederation—John
A. Macdonald, Dr. Charles Tupper—Georges Etienne
Cartier—Alexander T. Galt—George Brown—D'Arcy Mc-
Gee—Disraeli and "those wretched Colonies"—British
North America Act.

XIV RED RIVER EXPEDITION

146

Louis Riel's Rebellion of 1870—Secretary O'Donoghue—
Donald A. Smith a peacemaker from Canada—John A.
Macdonald fears American intervention—Colonel Garnet
Wolseley commands the Red River Expedition—The Daw-
son road—A bloodless victory—The Canadian voyageur.

XV THE FIRST PACIFIC RAILWAY

157

British Columbia enters Confederation on condition that
the Canadian Pacific Railway be built—Surveys start at
once—Routes found over the Yellowhead and Howse
Passes through the Canadian Rockies—Delays due to Bute
Inlet—Romance and dangers of surveying—Political trouble
at Ottawa—The "Pacific Scandal" puts Macdonald out of
office.

XVI GOVERNMENT CONSTRUCTION

173

Donald Smith works for immigration into the Canadian
West—Father Lacombe—Jim Hill—Norman W. Kittson
and the Red River Transportation Company—Alexander
Mackenzie goes slow—Royal Northwest Mounted Police
organised—The first C.P.R. locomotive the *Countess of*
Dufferin arrives at Winnipeg—Burrard Inlet selected as
Pacific outlet for the railway—Moody on its military value—
Andrew Onderdonk gets contracts for construction: imports
Chinese labour.

XVII MACDONALD NEGOTIATES

190

The idea of Imperialism flows in—Macdonald and
Disraeli—Sir John Rose as London adviser—Ice bridge at
Winnipeg—The Pembina Branch—Money made in the St.
Paul, Minneapolis and Manitoba Railroad—"Get their
money" says John Henry Pope—George Stephen as a coy
fiancée—Macdonald is turned down by the Grand Trunk—
Agreement with the Syndicate—Terms better for the
government than previously considered necessary—Mac-
donald steam-rollers the charter through Parliament.

CONTENTS—Continued

CHAPTER

PAGE

XVIII GEORGE STEPHEN AT THE HELM

212

George Stephen's gigantic problems—Plans for settlement—Early officers—Major A. B. Rogers surveys for a new pass over the Selkirks—Route located further south—Marquis of Lorne as propagandist—"Truth" and the "Dominion Bubble"—Van Horne is appointed general manager.

XIX HUSTLE AND PROGRESS

231

The idea of hustle—Van Horne's career and ideals—Winnipeg's cold reception—Forgotten in the boom—Father Lacombe—Northwest Mounted Police keep order in the railroad camps—A record in construction—Kicking Horse Pass route authorised—Manitoba versus the Dominion—Provincial railway charter disallowed—Macdonald demands speed on Lake Superior Section—Acquisitions in the East.

XX NEW ROUTE THROUGH MOUNTAINS

248

Attacks by the Grand Trunk—Jim Hill withdraws—Ships on the Great Lakes—More eastern extensions—Construction reaches the Great Divide—H. S. Holt and James Ross—Sandford Fleming sent to confirm Rogers Pass as practical route—Financial Clouds—Guarantee purchased for dividend.

XXI FINANCE AND MOUNTAIN CAMPS

258

Loan of \$22,500,000 requested—Macdonald tries to make the railway political—Duncan McIntyre resigns—Shaughnessy goes up—Stephen's policy towards the Grand Trunk—Construction north of Lake Superior—Tough town at Yale—Strikes—Morley Roberts' vivid picture of the mountain camps—Van Horne makes an inspection trip—Two days' starvation does not destroy his optimism—Stephen goes to England to arrange Trans-Pacific service.

XXII NEAR-RUIN AND REBELLION

279

Canadian Pacific faces bankruptcy—Macdonald disturbed but unwilling to pay more—British Columbia shuts out Chinese labour—No money for payroll—Strikes in the Camps—Riel Rebellion shows military value of the railway—Van Horne's masterly handling of troop movements—Macdonald relents but postpones relief till his Franchise Bill is passed—Loan of \$5,000,000 authorised at the eleventh hour—Stephen secures money in England—\$8,000,000 of loans repaid to government.

CONTENTS—*Continued*

CHAPTER	PAGE
XXIII THE LAST SPIKE	292
<p>Onderdonk pays off his men—Pagans and Christians—Driving of the last spike at Craigellachie—Iron not Gold—Sir Donald Smith wields the hammer—Sidelights on his story—Lord Lansdowne's tribute—Message from Queen Victoria—Major Rogers and the uncashed cheque—Stephen in England has his eye on the Pacific—Knighthoods for Stephen and Smith.</p>	
XXIV FIRST THROUGH TRANSCONTINENTAL	303
<p>City of Vancouver incorporated—Catering for far eastern travellers—Hotel System inaugurated—Obligations to Canadian Government repaid—First-through transcontinental train—Sir John Macdonald visits British Columbia—Commercial telegraphs—New ideas—Chief Crowfoot's thanks—Atlantic Service on the tapis.</p>	
XXV PACIFIC SERVICE AND PRAIRIES	311
<p>Lord Salisbury's fear of Russia—Military value of Canadian Pacific realised—Temporary service started on the Pacific—Oriental traffic realised—Extension of main line to Vancouver—Renaming mountain peaks—Manitoba railway charters disallowed—Annexationist propaganda—Red River Valley Railway—George Francis Train suggests a remedy.</p>	
XXVI VAN HORNE RAMPANT	323
<p>Canadian Pacific waives the Monopoly Clause—Stephen resigns in favour of Van Horne—Stephen's valedictory message—Van Horne's magnetic personality—Art and advertising—Manitoba once more demands its rights—The mock battle of Fort Whyte—Van Horne replies to Grand Trunk attacks—Interstate Commerce Committee investigates—Growing coolness of Macdonald—Stephen threatens to leave the Board.</p>	
XXVII ORIENT AND CROW'S NEST PASS	335
<p>Mail Subsidy granted for Pacific Service—Three <i>Empresses</i> ordered—Shaughnessy sent to the Orient—The Château Frontenac—Americans as well as British feel the lure of the Orient—"Soo" Line extended to join Canadian Pacific in the West—Van Horne on guard against Hill—New route across the Canadian Rockies by the Crow's Nest Pass—Gold and Coal in Southern British Columbia—Depression strikes North America—Stephen gets a peerage—Why he sold out his Canadian Pacific shares—Van Horne is knighted—Canadian Pacific attracts American interest.</p>	

CONTENTS—Continued

CHAPTER	PAGE
XXVIII. LORD STRATHCONA, IMPERIALIST	345
Sir Donald Smith comes to the front—A student of Aristotle—Becomes high commissioner and Lord Strathcona—An immigration propagandist—Finds a co-worker in Clifford Sifton—Strathcona's Horse—Prosperity returns in full flood—Van Horne now chairman yields presidency to Shaughnessy—His record.	
XXIX. SHAUGHNESSY'S RÉGIME	351
Sidelights on Shaughnessy—A level-headed organiser—No political entanglements—Gold rush to the Yukon—Coastal service established in British Columbia—Russia and the Orient—A Royal Train—Atlantic service inaugurated by purchase of Elder Dempster Fleet—Mail subsidy shared with Allan Line—New method of financing—The irrigation block—Liberals support rival railways—C.P.R. goes on building—Laurier and Strathcona propose All Red Line from Great Britain to Australasia—Shaughnessy opposes as premature—The Oriental problem in B.C.	
XXX. EXTENSIONS AND COLONISATION	367
Huge C.P.R. programme—Shaughnessy now chairman and president—Van Horne's philosophy—Reciprocity—Colonisation—Austrian adventure—Death of Strathcona.	
XXXI. C.P.R. AND THE WAR	374
War—Military record of the C.P.R.—Steamship patrols on Atlantic and Pacific—Losses by enemy action—Angus Shops manufacture shells—Dilution of labour—Purchasing for the Allies—Enlistments and veterans.	
XXXII. E. W. BEATTY STEPS UP	384
Shaughnessy resigns presidency in favour of E. W. Beatty—First Canadian-born president—Personal traits—Other Canadian Railways go bankrupt and are absorbed into a government system—Lord Shaughnessy's warning disregarded—The bogey of monopoly again—The Canadian Pacific goes ahead with record programme of construction—Steamships—Hotels—Smelters—Colonisation.	
XXXIII. THE RAILWAY AS CITIZEN	399
Burden on tax-payers from deficits on state-owned railways—The idea of citizenship comes into play—E. W. Beatty's suggested remedy—Changing conditions in regard to railways—United front recommended against other forms of transportation—Part played by Canadian Pacific in development of Canada—An outstanding leader.	
BIBLIOGRAPHY	411
INDEX	415

ILLUSTRATIONS IN COLOR

Baron Strathcona and Mount Royal, G.C.M.G., G.C.V.O.

(Donald A. Smith)

Frontispiece

Facing page

Chinese House of a High Mandarin of the Time of Marco Polo	16
Sir Alexander Mackenzie	40
<i>Canot de Maître</i> , as used on the Trip of Viscount Monck	68
Sir John A. Macdonald, G.C.B.	82
Kicking Horse Pass	110
The Pass	188
Baron Mount Stephen, G.C.V.O. (George Stephen)	212
R. B. Angus	220
Sir William Cornelius Van Horne, K.C.M.G.	230
Grain Elevators on the Canadian Prairies	270
Bow River and Fairholme Range at Banff	316
Baron Shaughnessy (T. G. Shaughnessy)	352
Château Frontenac, Quebec	360
<i>Empress of Japan</i>	362
Sir Edward Beatty, G.B.E.	382
<i>Empress of Britain</i>	394

OTHER ILLUSTRATIONS

The Last Voyage of Henry Hudson	14
The Northwest Passage	15
Tartar Wall at Peking	30
Flower Pagoda at Canton	30
Native Village in Hawaii	31
Sea Otter	31
Launch of the <i>North West America</i> , 1786, at Nootka	44
Captain Robert Gray's Ship <i>The Lady Washington</i> attacked by Hostile Indians off Vancouver Island	44
Kootenai Fort	45
Simon Fraser, Shooting the Rapids of the Fraser River	45
John Jacob Astor Driving a Sleigh from Lachine to Montreal	48
Astoria	48
Hongs at Canton, 1840	49
Pagoda Anchorage—Whampoa, Canton River, 1840	49
Arrival of Selkirk Settlers	62
Types of Colonists, Selkirk Settlement	62
Lord Selkirk's Grant of Assiniboia	63
Hudson Bay Mail in Winter	63

ILLUSTRATIONS—Continued

Facing page

Governor Simpson on an Inspection Trip of Hudson's Bay	66
Company's Fort	66
Working a Canoe at a Rapid	67
York Boat	67
Rafts and Durham Boat on the St. Lawrence	78
<i>S. S. Beaver</i> , First Steamer on the Pacific, off Fort Victoria—1846	78
Old Time Indian Canoes at Sault Ste. Marie	79
Citadel of Quebec in 1840	79
Montreal in 1840	90
Kambara	90
Cherry Trees in Yoshino	91
Sacramento in Gold Rush Days—1849	94
Simpson Pass	94
Blaze on Tree Left by Sir George Simpson's Guide, James Rowand, on Simpson Pass—1841	94
Cariboo Road in the Thompson River Canyon	95
Cariboo Road on the Fraser River Canyon	95
Vermillion Paint Pot	108
Vermillion Pass	108
Night-Gipsy (Blood Indian)	109
Far-Away-Cough (Blackfoot Indian)	109
Buffalo Trails	109
The Last of England	112
<i>S. S. Sarmatian</i>	113
Map of Fur Trade Routes and the Canadian Pacific Railway	122
Homathco Canyon, Bute Inlet	132
Boat Encampment, Big Bend, Columbia River	133
Yale, Head of Navigation on the Fraser River	133
Colonists Embarking at Liverpool for Canada—1870	136
Colonists for Manitoba—1870	136
The Fathers of Confederation	137
Winnipeg in 1872	158
Lake Shebaunaning, Dawson Road	158
Red River Expédition at Sault Ste. Marie	158
Portage at Kakabeeka Falls—Red River Expédition	159
Physiographical Map of British Columbia (1874) Showing the Formidable Barrier of the Coast Range	162
The Barrier of the Cariboo Mountains Preventing a Direct Line from the Yellowhead Pass to Bute Inlet	163
<i>S. S. Ontario</i> of the Beatty Line in 1872, Afterwards Taken Over for the Canadian Pacific Great Lakes Service	163
Stagecoach on Cariboo Trail	174

ILLUSTRATIONS—Continued

Facing page

First Locomotive on the Canadian Pacific Railway	174
Station "Northcote" on the St. Paul, Minneapolis and Manitoba Railroad—1881	174
Sailing Ship at Port Moody with Rails for the C. P. R.	175
Sailing Ships on Burrard Inlet	175
Tunnel No. 1 (above Yale) Showing the Cariboo Road Alongside	198
Laying Track (1881) in the Lower Fraser Valley	198
Making Cariboo Road into the Railway, Fraser Canyon Section	199
Tunnel under Construction, Fraser Canyon	199
<i>The Skuzzy</i> , Built by Onderdonk to Navigate the Rapids of the Fraser River	222
Cariboo Road and Original C. P. R. Bridge at Skuzzum, B. C.	222
Mount Stephen	223
The Marquis of Lorne, Governor-General, Holds a Powwow with Indians at Black Feet Crossing	223
Lake Louise, Discovered by Tom Wilson, 1883	238
C. P. R. Construction on the Prairies	239
Construction on the North Shore Railway, Quebec. Later Absorbed by the C. P. R.	239
First Train into Calgary—August, 1883	240
Medicine Hat—1884	240
Road House on the Columbia—1884	240
Tunnel—North of Lake Superior	241
Red Sucker Trestle Bridge (1884) North of Lake Superior	241
Bridge over Nipigon River under Construction	241
Surveyors' Camp on Rogers Pass	252
Mount Sir Donald, Originally Named Syndicate Peak	252
Buffalo Bones Being Shipped from Prairies at Regina	253
Emerald Lake	253
Troops Leaving Dalhousie Station, Montreal, Via C. P. R., to Suppress Riel Rebellion, 1885	286
Canadian Troops En Route for the West, 1885	286
Chief Crowfoot of the Blackfoot Indians	287
Chief Poundmaker of the Cree Indians	287
On the March against Riel	287
Map of Lines in the East Absorbed by the Canadian Pacific up to 1885	290
Immigrants	291
The Driving of the Last Spike by Donald A. Smith (Lord Strathcona) at Craigellachie—Nov. 7, 1885	302
Temporary Bridge over the Columbia at Farwell (now Revelstoke)	303

ILLUSTRATIONS—Continued

Facing page

Mountain Creek Bridge in the Selkirks	303
Trestle Bridge near Jackfish, North of Lake Superior, Where Construction Gangs from the East Met Those from the West in May, 1885	303
Watch Given to Major Rogers for Discovery of Rogers Pass	306
Souvenir Timetable of First Through Transcontinental Train	306
Sir John A. Macdonald Crossing Rogers Pass on His First Transcontinental Trip to the Pacific Coast	307
Loading Tea from China at Port Moody—1886	318
Real Estate Office on Burrard Inlet	318
<i>S. S. Parthia</i> —Chartered for Pacific Service of the C. P. R.—1886	319
<i>S. S. Abyssinia</i> —Chartered for Pacific Service on the C. P. R.	319
The Original Vancouver Hotel—1887	334
The Present Vancouver Hotel—Completed 1915	334
Figurehead on the First <i>Empress of Japan</i> Now in Stanley Park, Vancouver	335
The <i>Empress of India</i>	335
The Original Chalet at Lake Louise	342
Château Lake Louise	342
Quebec Showing the Original Château Frontenac with Allan Line <i>S. S. Parisian</i> in the St. Lawrence	343
Manitoba Harvest Scene	343
Trainload of Settlers from the Dakotas for the Canadian Prairies	343
Fraser River Canyon	350
Royal Train on the Big Hill, Kicking Horse Pass—1901	351
Van Horne's Painting of a Railroad Yard Inspired by Rudyard Kipling's ".007" in <i>The Day's Work</i>	351
Kootenay Lake Steamship <i>S. S. Sicamous</i>	366
Crow's Nest Pass	366
The Great Smelter at Trail, B. C.	367
Mine Crew Entering Sullivan Mine, East Kootenay, B. C., for a Two-Mile Underground Ride	367
<i>Empress of Russia</i> in Camouflage	372
<i>S. S. Missanabie</i> , with Contingents for the Great War, Leaving Montreal	372
Troops Guarding Cisco Bridge, Fraser River Canyon	373
Women Workers at Angus Shops	373
Compressor for Bailing Hay at Angus Shops during the War	373
Map of Transatlantic, Transpacific and Cruise Routes of the Canadian Pacific	382
Sir Edward Beatty, G.B.E. (Center) with Alexander Gillie, Original Engineer, and Lott Britton, Original Fireman of the Locomotive "Lucy Dalton"	396

ILLUSTRATIONS—*Continued*

	<i>Facing page</i>
Rock Drillers on the Selkirk Tunnel under Rogers Pass	396
Canadian Pacific Train Leaving Windsor Station, Montreal	397
Map of the Canadian Pacific Railway, The Minneapolis' St. Paul & Sault Ste. Marie Railway, The Duluth, South Shore and Atlantic Railway, The Spokane International Railway, Northern Alberta Railways and Connections	<i>At end</i>

STEEL OF EMPIRE



THE LURE OF CATHAY

FROM time to time mankind is stirred into movement by ideas. Just as a little spring may be the source of a stream, and then of a river, carving its way through canyons, and broadening here and there into a lake, gathering volume from other tributary springs, streams and rivers as it flows, fertilizing its banks and enriching meadows, till the flood from its watershed is eventually merged in the tide of ocean, so may an idea grow and progress, assimilating and absorbing other ideas, until we have a force overcoming, surmounting or circumventing all barriers.

The volume of the ultimate river may be so great that the remote sources are forgotten. Tributaries may roll into the main stream with a current and colour that change the original character and clarity of the flood pouring down from the prime source, and we come to understand the river rather as the consummation of many streams draining a large geographical basin. In this physical world, for instance, the Mississippi River Basin covers an area of a million and a quarter square miles, nearly one-third the size of Europe, the tawny outlet of which into the Gulf of Mexico conceals and yet contains the crystal waters of the springs that trickle down from the upper edges of its watershed. So in the spiritual world, the final conception may incorporate a thousand originally alien ideas, which unite with, strengthen and perhaps even change the character of the original intention, draining in their many currents of thought a vast area of human experience.

Disturbing ideas have inspired many pilgrimages; have moved millions of people to travel to Mecca, or to the purifying water of the Ganges at Benares, or to the crater of Fujiyama, or to the miracle working shrine of Lourdes. For two hundred years

in the Middle Ages Crusades were organised by European princes fired with the idea of recovering the site of the Holy Sepulchre from the Saracens, an idea which incidentally promoted immense trade between Europe and the Orient. The idea of Christianity flamed in the hearts of countless missionaries who ventured into remote lands, facing martyrdom in the propagation of the faith among savage pagans; hence the churches and cathedrals with which the world today is studded.

The idea may be that of an El Dorado or fabulous city beckoning like a will-o'-the-wisp to adventurers seeking golden palaces in the tropic forests of South America, or it may be that of a tide-swept Ultima Thulé in the mysterious North, or of the Fortunate Islands beyond the Pillars of Hercules.

The idea of the Northwest Passage grew out of the lure of the fabled wealth of Cathay. This enticement had its source in a narrative dictated in a Genoese prison by a Venetian jewel merchant to a French translator, descriptive of an adventurous journey and sojourn at the Court of a Mongol Emperor, Kublai Khan, at Cambaluc, near the present Peiping in China. The Prologue opens:

"Ye Emperors, Kings, Dukes, Marquises, Earls and Knights, and all other people desirous of knowing the diversities of the races of mankind, as well as the diversities of Kingdoms, Provinces, and Regions of all parts of the East, read through this book."

The narrative of Marco Polo, and his account of the splendour of Cathay, of the port of Singui (Canton) crowded with ships freighted with rich assortment of jewels and pearls, of the golden-roofed, golden-walled and golden-tabled palace of the island of Zipangu (Japan), of the extent of India and of the spices, jewels and treasures of the seven thousand four hundred and forty islands of the China Seas, was read and annotated two hundred and fifty years later by Christopher Columbus. It took Marco Polo three and a half years to travel from Venice to the Summer Palace of Kublai Khan in Cathay. Believing that the world was a pear-shaped sphere and that the ocean offered a more direct western route, Columbus braved the "Sea of Darkness," and seventy



Marco Polo receives a golden tablet from Kublai Khan
From *Le Livre des Merveilles*, by permission of the Bibliothèque Nationale.

days after setting sail from Spain landed in the Bahamas, clad in complete armour as befitted an Admiral Ambassador, bearing letters for the Grand Khan of Tartary, thinking he had reached India, and naming the natives Indians. In his will he wrote:

"In the name of the most Holy Trinity, who inspired me with the idea, and afterwards made it perfectly clear to me, that I could navigate and go to the Indias from Spain, by traversing the ocean westwardly . . . it pleased the Lord Almighty that in the year one thousand four hundred and ninety-two I should discover the continent of the Indias and many islands among them." Writing to Louis Santagel in the year after his first voyage, he said "when I arrived at Juana, I followed the Coast to the westward, and found it so extensive that I considered it must be a continent and province of Cathay."

The voyages of Columbus to the West Indies were the precursors of expeditions resulting in the discovery and exploration of hitherto unknown continents barring the way to India and Cathay, yet carrying in themselves the source of unanticipated wealth and opportunity.

The lure of Cathay for Europeans of the fifteenth, sixteenth and seventeenth centuries came from the demand for luxury following the contact with Oriental culture in the Crusades, for which, as William of Malmesbury wrote, "the Welshman left

his hunting, the Scot his fellowship with vermin, the Dane his drinking bout, the Norwegian his raw fish." Men as well as women of rank and wealth now affected colourful costumes of costly material. Gold embroideries, and brocades, jewelled belts and chaplets, necklaces, girdles, collars and chains of gold, studded with precious stones characterised the costumes of those about the Court, and Edward IV had to make a sumptuary law in 1464 forbidding any Englishman below the rank of baron to wear cloth of gold, purple silk or sable. Gentlemen and esquires were denied the use of velvet, damask or brocade unless they had a yearly income equivalent to about fifteen hundred pounds, or seventy-five hundred dollars, of our money today.

Every European merchant's mouth would water at Marco Polo's description of Cambaluc, where no fewer than a thousand



Christopher Columbus
From the painting by Sebastiano del Piombo in the Metropolitan Museum, New York.

carriages and pack horses, loaded with raw silk, made their daily entry, and of Singui, where everyone wore silk; of the splendour of Kublai Khan's Court with his twenty thousand attendant nobles and military officers costumed in golden coloured silk, with girdles of chamois leather worked in gold and silver thread, and with satin boots; of his five thousand elephants covered with housings of gold; of his hunting tents made of skins of lions and lined with ermines and sables; of the opulence of the Province of Mangi, the richest in the Eastern world; of the gold-bedecked palace of Zipangu; of the pearls, rubies,

sapphires, topazes, amethysts and garnets of Ceylon; of the diamonds of Murphili, in southern India.

Others would thrill at the story of the spices of Java and the scented islands of the China Sea, the cinnamon, nutmeg, pepper, cloves and aloes—spices worth more than their weight in gold. For the European of that time was a flesh-eater, liking his meat highly flavoured and his wines spiced, using his garden chiefly

to grow aromatic herbs. It was the high price of pepper and cinnamon that led the Portuguese to round the Cape of Good Hope in search of India and the Spice Islands, thus depriving the Arabs of their Red Sea trade with Europe.



Hernando Cortés, Conqueror
of Mexico

From the painting in the Mu-
nicipal Palace, Mexico.

Lured by the wealth that such merchandise offered, no wonder that money was forthcoming to equip exploring expeditions for new routes to this land of treasure, and that men were ready to face the hardships even of Polar seas seeking for a short passage to Cathay.

Expansion overseas fitted the ambition of European monarchs who looked forward to welcome revenues from such enterprise. Emanuel I, of Portugal, assumed the title of "Lord of the Conquest, Navigation and Commerce of India, Ethiopia, Arabia and Persia" in the year 1500, the year in which Gaspar Corte-Real reached Labrador and Pedro Alvares Cabral laid claim to Portugal's sovereignty over Brazil. Charles V, King of Spain, was enabled to keep up his state as Emperor of the Holy Roman Empire with his one-fifth share of the spoils that flowed into his treasures from the West Indies, Mexico and Peru. Francis I, of France, his unsuccessful rival for the imperial purple, took consolation in the acquisition of New France by Jacques Cartier. In England, Queen Elizabeth cheerfully added to her privy purse from the treasures taken from Spanish galleons by her bold Devon buccancers.

The trend of Spanish exploration following Columbus's discovery of the West Indies continued southwestward to the mainland, which proved to be not Cathay but a country of tropical fertility, richer in minerals than any land described in Marco Polo's travel tales. Balboa, in 1513, traversed the narrow Isthmus of Panama and, marching his men into the new ocean, claimed it and its bordering countries as Spanish for all time past, present or future, north and south, from the Pole Arctic to the Pole Antarctic. As a peace-offering the local cacique brought



Pizarro, Conqueror of Peru
From the statue by Charles
Carey Rumsey. Photograph
by Ward.

five hundred pounds of wrought gold. Balboa "graciously accepted his gold, for which he gave him beads, hawk's bells, and looking-glasses." Cortés invaded Mexico from Cuba in 1519 with four hundred foot soldiers and fifteen on horses, adding to the Spanish domain a land as rich in gold as the fabulous Ophir of Solomon's day. As he told Teuhitli, an Aztec chief, "the Spaniards were troubled with a disease of the heart for which gold was a specific remedy." Seven years later,

Pizarro sailed from Panama and crossed the Equator to discover the Incas of Peru. Here he found silver so plentiful that when the hoofs of his horses wore out on the roads of the Cordilleras, silver was the metal with which they were re-shod. At Caxamalca so rich were the spoils torn from the temple of the Sun and so great the ransom it took the native goldsmiths a whole month to melt down the plate into ingots convenient for transport, the gold being valued at three million five hundred thousand pounds, and the silver nearly half as much. Valdivia commenced the colonisation of Chile in 1541, while a Spanish squadron in 1564 took possession of the Philippine Islands, which Magellan had reached through his Straits forty years before. But the Spanish search for a short route to Cathay slowed down in the presence of this nearer treasure, and the idea of Columbus became another Pactolus meandering through golden sands.

In the meanwhile, Portuguese explorers and merchants had discovered and monopolised a Southeast Passage. Bartholomeu Dias, who had already sailed beyond the Cape of Good Hope as far as Mossel Bay, in 1486, designed the two ships which led Vasco da Gama's twenty-four thousand knot voyage to India and the Malabar Coast in 1497. From this da Gama returned bearing a letter from the Zamurin of Malabar, "In my kingdom there is abundance of cinnamon, cloves, pepper and precious stones. What I seek from thy country is gold, silver, coral and scarlet." D'Almeida visited Ceylon in 1506, and Albuquerque conquered

Malacca in 1511. Japan was discovered by the Portuguese in 1547 and Macao, in China, occupied ten years later. The immense trade which Portuguese merchants developed with the Orient proved that Marco Polo's account of the wealth of Cathay and India was not exaggerated, and the search for a more direct passage became all the more justified and desirable.

Spain and Portugal made a treaty, approved by the Pope, to divide the seas outside Europe between them, but the French, Dutch and English were not to be left out, though they discreetly sent most of their expeditions to the north. The spices of Cathay, seen carried in caravans through Mecca, inspired John Cabot to apply to Henry VII for a patent granted in 1496 to search for a new route to Cathay. Cabot's first voyage in 1497 took him to the entrance of Hudson's Strait, and as he swaggered about London in silks, the current talk was that he had discovered the territory of the Grand Cham and hoped thereafter to reach Japan and equinoctial regions full of all the spices and precious stones of the world. A trade between Bristol and Newfoundland resulted, which seems to have brought no other merchandise than wild oats, popinjays and catamounts. His son Sebastian induced an English merchant named Robert Thorne to urge Henry VIII to send an expedition by way of the North Pole, and this led to the dispatch of John Rut to sail to the land of the Great Khan, though he went no further than Newfoundland and the West Indies.

Basque and Breton vessels netted the fishing grounds of Newfoundland and the St. Lawrence Gulf, and in their wake sailed Jacques Cartier, master mariner of the port of St. Malo, whose portrait shows him wearing a purple fur-lined coat. Whether his hope was to find Cathay is not specified in his own narrative, but in the address to King Francis I, which prefaces the account of Jacques Cartier's second voyage, the implication is that the completion of the discoveries would bring within the pale of the Christian faith lands similar to those which had been conquered and acquired by Spain. Yet the *Mappemonde* published shortly after the second voyage is illustrated with a sketch in which Jacques Cartier is shown as being greeted by natives much more like



Jacques Cartier wearing
fur-lined cloak
From the drawing by
M. de Clugny.

emissaries of the Khan of Tartary than any Hurons. Fur was the sign of rank and wealth for both men and women in the reign of Francis I, and Jacques Cartier takes pains to notice the skins of otter, beaver, marten, fox, squirrel and bear which the natives of Canada used for clothing and blankets. Most of all he was interested in the stories of the Kingdom of Saguenay, said by the Hurons to be rich in gold and copper and filled with precious stones. From the summit of Mount Royal (Montreal) he looked towards the Ottawa River, beyond which, the Hurons said, lay this kingdom. However, the jewels he brought back to France proved of no value. Jacques Cartier's third and perhaps fourth voyages seem to have added

to his discouragement, but his pioneering decided the trend of future French expansion in the New World.

In his fantastic story of the voyage of Pantagruel to visit the oracle of the Holy Bottle Balbuc, near Cathay in the Upper India, Rabelais, who had visited Jacques Cartier at St. Malo, makes the chief pilot avoid going too far south and keep as near the parallel of India as possible, deviating sufficiently far from the North Pole so as not to be shut up in the frozen sea. In this way, he says, the voyage to Upper India is made in less than four months.

Except for the Basque and Breton fishermen who continued to brave the Atlantic for the cod and other saltwater fish of the Gulf and lower reaches of the St. Lawrence, Canada had been left by Jacques Cartier as the Cinderella of America, overset and belittled by the more showy elder-sisters of Mexico and Peru. But Nature, the fairy godmother, had not forgotten her little charge, and decked her out for the ball with magic garments in which she rode in a coach and six of enchantment. On her little feet, as tiny as those of any Chinese beauty, were slippers of *vair*—

not *verre* or glass—as the English translator of Charles Perrault's *Cendrillon* would have us believe, *vair* which is a fur that only princesses of royal blood might wear at Court, and from the search for that lost slipper of fur, Cinderella came into her own right place.

Catherine de Medici, as the Queen of Henry II of France and later as Queen Mother, introduced Italian fashions of silk and velvet into French costumes, although she herself, her duchesses and countesses wore surcoats of ermine on state occasions; and Master Lecamus, the Queen's furrier and Syndic of the Guild, was a great man among the merchants of Paris. Fur came in again with her son Henry III, who was already King of Poland, and the fur-lined muff was introduced into the kingdom of fashion, whose sway exceeds that of any human potentate. Henry IV, his successor, was keenly interested in commerce and looked on fur as something more than the insignia of rank. His patronage of the Sieur de Pontgravé, fur trader of St. Malo, the Sieur de Monts, Governor of Acadia with a monopoly of the fur trade in New France, of the Sieur de Poutrincourt and of Samuel de Champlain paved the way with beaver skins to fortune. Louis XIII maintained the interest of the French Court in this traffic under the guidance of Cardinal Richelieu. When this highly



The *Grande Hermine* off the mouth of the Saguenay
From the painting by Norman Wilkinson.

practical Prince of the Church organised in 1627 the Company of a Hundred Associates, giving it a monopoly of the fur trade in Canada, he had the pick of the nobility as his fellow shareholders.

France of the seventeenth century was overrun with landless nobles and soldiers of fortune, to whom the prospect of a reward of a seigneurie in the New World overcame the unpleasant thought of the long and often rough voyage across the Atlantic. The adventure of fur trading offered an opportunity for hunting such as even the royal forests of France could not provide, and fortunes to be made from fur gave prospect of being able to make a brave show on future visits to Paris and the Court. The English could have their polar sea and the frozen pastures of the Arctic with the empty reward of a title for discovering some new place in which to die. So the fur-trading route to the West is landmarked with names such as Des Marets, de Poutrincourt, de Monts, Le Gardeur de Repentigny, Du Lhut, Morel de la Durantaye, La Salle, La Mothe Cadillac and La Valtrie. The missionary fervour of the Jesuits was also primed with the interest in discovery, trade and colonisation.

In 1552 Sebastian Cabot was appointed the first governor of an association of English merchant adventurers which three years later was incorporated as the Muscovy Company, the object of which was to develop trade with Cathay either overland through Russia or by a Northwest Passage. Various voyages were undertaken, but without much success.

Sir Humphrey Gilbert, formerly an advocate of the Northeast Passage, sought by the Muscovy Company, petitioned Queen Elizabeth, in 1567, "for the discovery of a passage by the north to go to Cathaia." His *Discourse on the North-West Passage*, published in 1576, helped Martin Frobisher to raise funds for the expeditions in which he penetrated Hudson's Strait as well as the Straits which bear his own name. Gilbert wrote:

"Learned men and painful travellers have affirmed with one consent and voice that America was an island; and that there lieth a great sea between it, Cathaia and Greenland, by the which any

man of our country, that will give the attempt, may with small danger pass to Cathaia, the Moluccas and India."

He argued that the westward ocean current caused by the eastward rotation of the earth must run by a northwest passage to Cathay, that the climate would be more moderate than on the Northeast Passage, and that the route would be quicker.

"Through the shortness of the voyage we should be able to sell all manner of merchandise brought from thence far better cheap than either the Portugal or Spaniard doth or may do."

Sir Walter Raleigh, Gilbert's half-brother, paid for one of the ships in which Gilbert set out from Plymouth in 1583 for the plantation of the first colony in Newfoundland. Raleigh was an associate of the "Colleagues of the Fellowship for the Discoverie of the North-West Passage" to which Queen Elizabeth gave a patent in 1584, and which joined with merchants of Exeter and London in sending John Davis on the first of three voyages to the elusive passage. On the first voyage Davis shaped his course west-northwest from the coast of Greenland, "Thinking thereby to pass for China" and found a strait where his sailors saw whales that they thought must come from a western sea. Joyfully he reported that:

"the North-West Passage is a matter of nothing doubtful, but at any time almost to be passed, the sea navigable, void of ice, the air tolerable, and the waters very deep."

Yet all that was accomplished on these three voyages was the adding of the name of Davis Strait to the map, and the discovery of the Bay which Baffin later charted.

Sir Walter Raleigh himself took more personal interest in the patent transferred to him after the death of Sir Humphrey Gilbert, enabling him to send settlers to his Virginia Plantations, the chief objective of which was gold. Desire for gold inspired his own voyage in 1595 to Guiana, where he hoped to find the El Dorado described in intercepted Spanish letters. Raleigh's ventures did not succeed, but in 1606 the London Company obtained a charter under which they sent three vessels to Virginia under sealed orders to combine settlement with exploration which might lead up some



Sir Francis Drake
From an old engraving.

river to "that other sea." Captain John Smith, a member of that expedition, wrote in his *A True Relation* the story of the exploration of Chesapeake Bay and its tributary rivers. Indians had led the English invaders to believe that there was a great water beyond the near-by mountains, but the further investigation of a route to what the Spanish now called the South Sea was for the time being submerged in the discovery of the fortunes to be made in the grow-

ing of Virginia tobacco. For the use of tobacco quickly grew from being a drug against the plague into becoming a universal habit, so that in Queen Anne's day women both smoked and took snuff, while children drew pipes out of their satchels to smoke with the schoolmaster in between lessons.

So far as Virginia is concerned, the idea of a route to Cathay ended in smoke.

Meanwhile, approach to the Northwest Passage from the Pacific was neared by Sir Francis Drake. From a tree-top on the Isthmus of Panama he had seen this ocean and had sworn to sail it in an English ship. Setting out in 1577 on a privateering expedition which eventually swung him round the world, he rifled his way through Spanish ships and ports up the coasts of Chile and Peru, sailing north past San Francisco till the extremity of cold turned him southwest, yet not before he had fraternized with the natives and claimed sovereignty over their country for Queen Elizabeth under the name of Nova Albion. Calling at the Moluccas, the island of Barateve and Java on his continuing voyage, Drake confirmed the wealth of spices and the display of gold and precious stones in these islands, bringing back a cargo of such value that his return was the sensation of England, and brought the Queen in person to Deptford to confer the reward of knighthood.

Henry Hudson, under the aegis of the Muscovy Company, made two attempts on the Northeast Passage, and then in 1609 was commissioned by the Dutch East India Company for a

third northward voyage, from which an unwilling crew compelled him to turn southwest to the American coast. Here he made the entrance to the Hudson River, up which he ascended as far as Albany, the first Dutch name of which was Beaverwyck. In the bantering account given in *Knickerbocker's History of New York*, Henry Hudson is described as



Edward VI in ermine collar
From the painting by Hans
Holbein the Younger.

"a short, square, brawny old gentleman, with a double chin, a massive mouth, and a broad copper nose, which was supposed in those days to have acquired its fiery hue from the constant neighbourhood of his tobacco pipe. . . . Up the river did the adventurous Hendrick proceed, little doubting that it would turn out to be the much-looked-for passage to China. . . . by the ship's running aground, they unanimously concluded that there was but little chance of getting to China in this direction."

As a result of Hudson's voyage, the New Netherland Company formed by merchants of Amsterdam and Hoorn secured a monopoly of the fur trade in the territory between Virginia and New France. Fort Nassau was built near the present Albany in 1617. Dutch settlement followed under the charter of the West India Company, and in 1626 Manhattan Island was bought from the Indians for goods worth about twenty-four dollars. Among those who came to New Amsterdam in 1635 from Holland was Jan Cornelissen Van Horne, ancestor of the William Cornelius Van Horne who two hundred years later was born in an Illinois log-house alongside the La Porte road and lived to build the railway connecting the Atlantic and the Pacific Oceans which, with the fleets on both, was to consummate the dreams and efforts of many generations to establish a direct route westward from Europe to China.

In 1610 Hudson made his last tragic voyage, this time in search of the Northwest Passage, wintering in the bay which now bears

his name, where he was cast adrift to die by a crew of mutineers. The interest in his fate resulted in an expedition under Thomas Button and the incorporation in 1612 of an influential group of two hundred and eighty-eight, peers, knights, esquires and merchants as the "Governor and Company of the Merchants of London Discoverers of the North-West Passage" with a patent covering



Buddhist Monk of the fifth century

From a Buddhist historical writing of A.D. 1607. Courtesy of the Gest Chinese Research Library, McGill University, Montreal.

"all the seas between Hudson and Davis Straits and northward, north-westward and westward to Tartary, China, Japan, Korea and to all other countries in the South Sea in America, Asia and the islands."

Progress was made in the exploration of the passage in the voyages of William Baffin, who changed the venue from Hudson's Strait to Davis Strait and Baffin Bay, but came back disheartened to report that the only profit from that territory would come from whaling. Not that whaling was an industry to be sniffed at in an age when farthingales, trunk sleeves and corsets were the mode, and whalebone from the Greenland fisheries fetched seven hundred pounds a ton. Fynes Moryson wrote:

"And they say that the sleeves borne out with whalebones were first invented to avoid men's familiar touching of their armes."

Two independent voyages of discovery were made by Luke Foxe and Thomas James, resulting in the delineation of Fox Channel and the naming of James Bay. It was from the reading of the vivid account in *Northwest Fox, or Fox from the Northwest Passage* that Samuel Taylor Coleridge is said to have obtained the



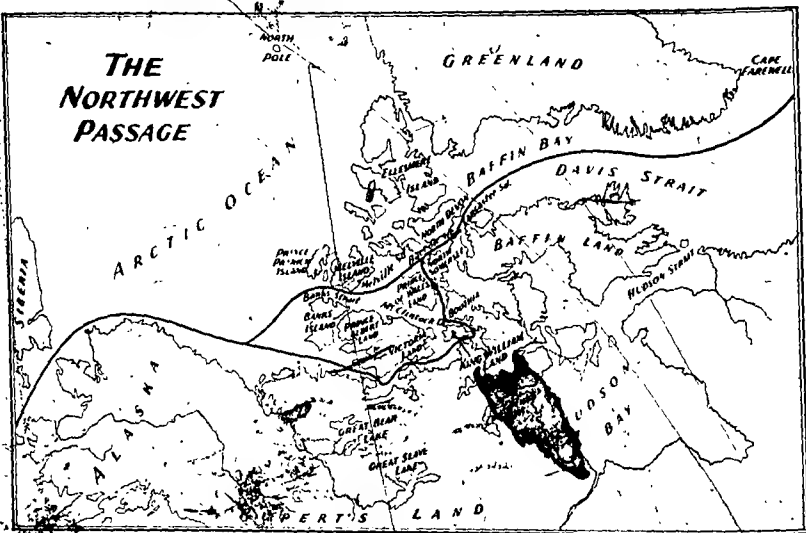
From the painting in the Tate Gallery by the
Hon. John Collier.—Photograph by W. A. Mansell.

The Last Voyage of Henry Hudson.



From the painting in the Tate Gallery by Sir John Millais, R.A.—Photograph by W. A. Mansell.

The Northwest Passage.



idea for five verses in "The Rime of the Ancient Mariner"—

"And now there came both mist and snow,
And it grew wondrous cold;
And ice mast-high came floating by
As green as emerald.

"And through the drifts the snowy cliffs
Did send a dismal sheen;
Nor shapes of men nor beasts we ken—
The ice was all between.

"The ice was here, the ice was there,
The ice was all around;
It cracked and growled, and roared and howled,
Like noises in a swound.

"At length did cross an albatross,
Through the fog it came;
As if it had been a Christian soul,
We hailed it in God's name.

"It ate the food it ne'er had eat,
And round and round it flew;
The ice did split with a thunder-fit;
The steersman steered us through!"

In the meanwhile the charter given by Queen Elizabeth in 1600 to the East India Company and the rapid increase of British supremacy in India and the Persian Gulf brought some of the wealth of the Orient directly into English channels of trade, thereby lessening the incentive to seek that trade by way of an arduous northern passage.

In China those who were interested could have read of Chinese voyages in the Pacific described in the dynastic records which were written from contemporary sources by scribes of the succeeding dynasty. The King's Geographer in London appears to have had access to Chinese maps indicating a knowledge of the northwest coast of America.

Tom MacInnes, a Canadian author with a unique knowledge of China and things Chinese, claims in his book *Chinook Days*

that Chinese had visited Nootka on the west coast of Vancouver Island a thousand years before Columbus discovered America. His authority for this was Samuel Couling, a celebrated Oriental scholar. Hui Sien, a Buddhist Missionary, appears to have sailed across the Pacific in his junk, the *Tia Shan*, about the end of the fifth century, and wintered at Nootka, leaving three monks there to propagate the gospel of Buddha. Time seems to have obliterated this gospel, but Chinese cash of the Tsi dynasty were found by the crew of John Meares' brig, the *Nootka*, in 1786, and may have been relics of that ancient visitation.

Charles Godfrey Leland published in 1875 under the title of *Fusang or the Discovery of America by Chinese Buddhist Priests in the 5th Century* a résumé of the opinions of European scholars on the subject of Hui Sien, in which he prints an English translation of Hui Sien's report to the Emperor, as taken from the dynastic records covering the year 499 A.D. for the thirteenth century history of Ma Tuan Lin. Through identifying Fusang with Mexico and its inhabitants with the Aztecs, these scholars had a hard time in proving the Chinese record as other than a myth, although Leland did good service by citing a report from Colonel Barclay Kennon, formerly of the U. S. North Pacific Surveying Expedition, who shows that by following the route by way of Japan and the Aleutian Islands

"it is evident that the voyage from China to America can be made without being out of sight of land for more than a few hours at any one time."

But Tom MacInnes draws attention to maps published by Thomas Jefferys, Geographer to His Majesty George III, in which Fusang is identified with the territory north of the entrance discovered by Juan da Fuca in 1592, i.e., Vancouver Island and British Columbia. In a map printed in 1761 by Thomas Jefferys to illustrate his translation of an account by G. Muller of Russian exploration in the North Pacific, that area is marked as "Land which is supposed to be the Fu Sang of the Chinese Geographers." Tom Jefferys was ridiculed by Cook and Vancouver as a "closet geographer," but the astonishing Japanese map of the world



From the unique collection of Chinese art
in the Royal Ontario Museum, Toronto.

Chinese House of a High Mandarin of the Time of Marco Polo.

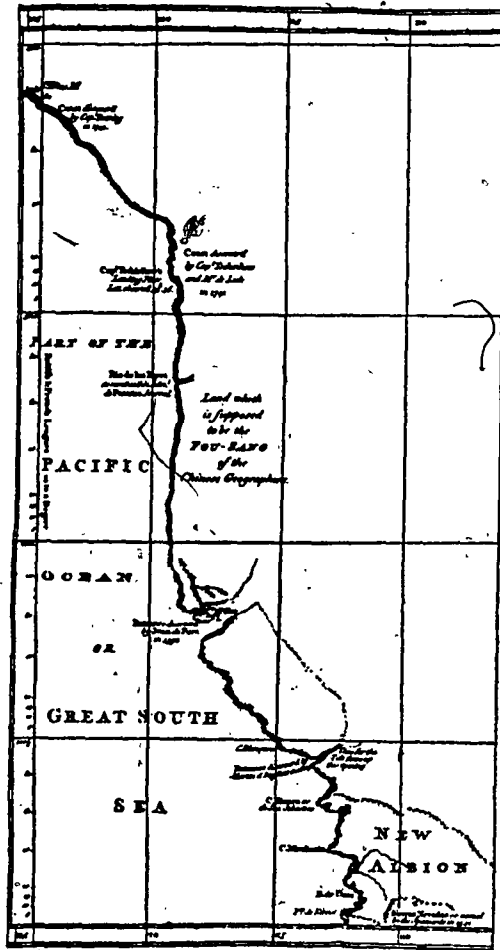
Glazed pottery from a tomb at Hsiao Yeh bow, Honan Province.



which he reprints in the same book, and his access to Chinese maps collected by East India Company interpreters and sea captains makes him a valuable authority, and adds to the possibility that North America was discovered by a Buddhist priest a thousand years before Columbus.

Tom MacInnes writes:

"I knew the sinologue Samuel Couling very well indeed, and I know he was convinced of the truth of the record by Hui Sien, and he held it highly probable that he would have touched on the West Coast of Vancouver Island. . . . In Chapter 54 of the History of the Liang Dynasty reference is made to *islands outlying* from the land of Fusang, as one sails to it. Now the coast of California and Washington and Oregon, and of Mexico also, on the Pacific side, is almost naked of islands, while the coastal waters of the superior land of British Columbia are full with them, leading eventually via Alaska all the way across to Asia."



Section of map printed in 1761 by Thomas Jefferys, Geographer to His Majesty George III, identifying Fusang with the territory now known as British Columbia.

Note.—According to Herbert A. Giles's Chinese English Dictionary (1912) the meaning of the name Hui Sien is "Intelligent Profundity." The account of Hui Sien's report is given also in the Nan Shih, chapter 79. Translation and annotation of the records in French may be consulted in *Ethnographie des Peuples Etrangères à la Chine*, by the Marquis d'Hervey de Saint-Denys (Genève—H. Georg).

FRENCH FUR TRADERS

SAMUEL DE CHAMPLAIN, who advanced the French exploration of the St. Lawrence Basin as far into the interior as Lake Huron, was aware of the exploits of Frobisher and Davis, and had visited the Isthmus of Panama, which he recommended should be cut through by a canal so as to facilitate communication with the South Sea. He was not tempted to undertake any northern passage by sea, and reported to Henry IV, his King, in favour of a route to China free from the disadvantage of northern ice or the heat of the torrid zone. This resulted in the commission of 1612, appointing him governor of Canada and enjoining him to prosecute the discovery of an easy route to China and the East Indies by way of the St. Lawrence River.

From the information of natives, Champlain surmised that the source of the Saguenay River was near a salt sea, clearly the southern indentation of Hudson Bay. This had been suggested seventy years before by Roberval's pilot, Alphonse, as reported in Jacques Cartier's third voyage. Champlain's hope, however, was to find an overland or river-and-lake passage westward to the salt South Sea, the coast of which was already Spanish territory and the commerce of which was the world's desire. The route which he developed diverged from the north bank of the St. Lawrence River to ascend the Ottawa River, from which it turned westward up the Mattawa River to Lake Nipissing, a large body of water with outlet into Lake Huron through the French River. This became the established route of the succeeding missionaries and fur traders into the interior. The French River, now a popular resort for anglers, won its name through association with the route of the early French explorers and voyageurs. An astrolabe identified with Champlain's first trip was discovered on its banks in 1867. He was in favour of intermarriage of French youths with

Indian girls, and his sympathetic treatment of the Indians contributed to the support given by Hurons and Algonquins to French exploration and expansion in their hunting grounds. In 1634 Champlain sent Jean Nicolet on an embassy to Winnebagoes, a tribe of Indians on Lake Michigan. The word Winnebago means "stinking water," and Champlain apparently deduced from this that these people lived on a sea that was salt. Nicolet was an interpreter from Three Rivers who had lived for a number of years among the Indians of Lake Nipissing. In the hope that these might be the subjects of the Grand Khan, he went on his mission equipped with "a robe of Chinese damask, decorated with flowers and birds of many colours," and was greeted by the Winnebagoes as a new type of medicine man.

Colonisation and the fur trade now occupied most of the attention of the French in Canada, but the Jesuit missionaries were ardent in the pursuit of scientific knowledge, which included geography, and in the course of their activities they mapped Lake Superior. Colbert wrote from France to the Intendant Talon suggesting that a reward might well be offered for the discovery of a passage to the South Sea through New France, with the result that in 1673 Joliet and Marquette were sent by Governor Frontenac to investigate the story of a river greater than the St. Lawrence flowing westward into the sea. If this should prove to be a river flowing into the Gulf of California or Vermillion Sea, a passage to China would have been found. Louis Joliet was Canadian born and played the organ in church at Quebec when he was not fur trading or exploring. Père Marquette, a Jesuit who could speak six Indian languages, had founded a Mission at Sault Ste. Marie, on the straits between Lake Huron and Lake Superior. Joliet and Marquette reached the Mississippi, but discovered that its outlet was in the Gulf of Mexico to the south, and not the Gulf of California.

Hitherto, the French route to the west had followed the Ottawa-Mattawa-Lake Nipissing waterway to Lake Huron, through Huron and the Algonquin Indian territory, as the route through Lake Ontario and Lake Erie was barred by hostile Iroquois. Count Frontenac, aided by La Salle, conceived the



Henri IV
From a painting in the Uffizi
Gallery.

plan of continuing up the St. Lawrence past the mouth of the Ottawa River, and in July, 1673, erected Fort Catarauqui (the present Kingston) in the presence of astonished delegates from the five Iroquois nations, shortly afterwards placing La Salle in charge. From Catarauqui, La Salle sent La Mothe de Lussière, in 1678, with the Récollet Father Hennepin, who built Fort Niagara as advance guard of La Salle's own expedition to the Mississippi. This expedition La Salle had undertaken

under a patent from the French King, who wrote

"We have nothing more at heart than the exploration of this country, through which, to all appearance, a way may be found to Mexico."

In 1701, the fort of Detroit, commanding the straits between Lake Erie and Lake Huron, a strategic point for control of the fur trade by this route, was founded by de la Mothe Cadillac.

La Salle had dreamed of a route through Canada to China by way of the Vermillion Sea, and in ridicule of his fancy the French Canadians nicknamed his seigneurie near Montreal "La Chine." By this time they were much more interested in the profitable fur trade or possible share in the gold of Mexico than in the rumoured wealth of any far distant Cathay. The seigneurie was accompanied by a patent which La Salle hoped to use to further the discovery of some river running into the Vermillion Sea. He reached the Gulf of Mexico on April 6, 1682, and took possession of the basin of the Mississippi in the name of King Louis, but his hope of further discovery was never fulfilled.

The rich territory added to the French Crown by La Salle was not appreciated by King Louis, who wrote to Governor La Barre that

"the discovery of the Sieur de la Salle is very useless, and such

enterprises ought to be prevented in future, as they tend—only to diminish the revenue from beaverskins."

Thirty years later, however, La Salle's Louisiana became curiously connected with the orgie of speculation known as the South Sea Bubble. The South Sea Company was founded in 1711, possibly at the suggestion of the imaginative fiction-writer, Daniel Defoe, in the hope of reducing the English national debt through the profits of trading monopolies with South America and the islands of the Pacific. There was, too, a French imitation in the Compagnie de la Louisiane ou de l'Occident, later known as the Compagnie des Indes, and in England as the Mississippi Company, organised by John Law, which in 1715 was granted a monopoly of the fur trade of Louisiana, and the right to buy Canadian beaver at a fixed price for twenty-five years. The bait held out to the gulls in Paris was that Louisiana was just as rich in gold and silver as Mexico and Peru. The fortunes made in speculation helped the market in furs, still the outward insignia of success and good breeding. Montreal came into the octopus grasp of the Mississippi Company, for after the death of Claude de Ramesay, Governor of Montreal, the Compagnie des Indes used the Château de Ramesay for its fur trading. This short route to the wealth of Cathay by way of the Stock Exchange, however, could only lead to disaster.

For the next two hundred years, exploration in these northern areas was more or less incidental to the fur trade, which was as good as gold to the European merchant. Beaver skin was the foundation of that trade, both Cavalier and Puritan in England requiring it for headgear. Even the common sailor



Samuel de Champlain
From the Statue by Paul Chevré
on Dufferin Terrace, Quebec.

wore a high fur hat in Queen Elizabeth's day. In Pepys' time high-crowned beaver hats were worn both indoors and out. Pepys' references to beaver hats indicate their importance in the costume of his time. For an ordinary hat he paid thirty-five shillings, but for a beaver eighty-five. On April 19, 1662, he notes in his diary:

"In the evening did get a beaver, an old one, but a very good one, of Sir W. Batten, for which I must give him something; but I am very well pleased with it."

And on April twenty-sixth:

"After dinner, to horse again, being in nothing troubled but the badness of my hat, which I borrowed to save my beaver."

Garraway's coffee house was an auction house for furs in London, and the link with Cathay was unconsciously indicated by the serving of the new beverage of China tea. Garraway's in its time was a centre of South Sea Bubble speculation, as one can gather from Dean Swift's satirical ballad

"Meantime secure on Garway cliffs,
A savage race, by shipwrecks fed,
Lie waiting for the founder'd skiffs,
And strip the bodies of the dead."



Robert Cavalier de la Salle
From an engraving by Waltner.

One coffee house auctioneer added a novelty to the sport by setting up thin candles with pins stuck in them at intervals. When these were lighted, bids were taken at each pin as the candle burned down, the furs going to the one who made the last bid before the candle went out.

As the variety of wild life of the northern forests became better known, and the trapping of other animals was developed, beaver was supplemented by martin, otter, fisher, fox, muskrat, mink, wolverine, lynx, black, red and

silver wolf, and bear—to the particular enrichment of women's costume.

Thomas Middleton, in the year 1619, wrote of the expectant market:

"Ermine, foine, sables, martin, badger,
bearre,
Luzernne, budge, otter, hipponesse,
and hare,
Lamb, wolf, fox, leopard, mink, stot,
miniver,
Racoon, moashy; wolverin, caliber,
Squirrel, mole, cat, musk, civet, wild
and tame,
Cony, white, yellow and black, must
have a name,

The ounce, rows gray, ginnelt; pampilion,
Of birds the vulture, bitter, estridge, swan;
Some worn for ornament, and some for health,
All to the Skinners' art bring fame and wealth."



Charles II in beaver hat
From a contemporary sketch.

The routes of rival French and English fur traders ran crisscross from the St. Lawrence Basin and Hudson Bay to the foothills of the Rockies and up to the seal-hunting Eskimos of northern Arctic shores, and then broke through the passes of the Rockies to meet the sea-otter hunters and traders of the Pacific coast.

Two Breton fur traders, Radisson and Groseilliers, play a romantic part in the early stages of this map making. They had ranged without license out of Three Rivers from the Great Lakes to Hudson Bay, but returned only to have their canoe-loads of pelts confiscated. Sailing to France for redress, they were cold-shouldered into England, where they entertained King Charles II at Oxford with travellers' tales so intriguing that Prince Rupert, the King's "dear and entirely beloved cousin," was given the charter of the "Governor and Company of Adventurers of England Trading into Hudson's Bay" and dominion over the unmapped continent of Rupert's Land with "the sole Trade and Commerce" of the seas with Hudson's Strait and the territories covered by the adjacent coasts and tributaries. The company had

the English Court behind it—the first (1670-1682) governor being Prince Rupert, the second (1683-1685) James, Duke of York, afterwards King James II, and the third (1685-1691) John, Lord Churchill, afterwards Duke of Marlborough.

Dryden, the poet laureate, wrote

"Late it was Gold, then Beauty was the Spur;
But now our Gallants venture but for Fur."

The petition requesting this charter specified as one of the company's objects the discovery of a new passage into the South Sea; but this was for the time being sidetracked, owing to attacks by French vessels on the company's forts and the necessity of first

establishing its position in the fur trade. The English, however, did not prove to be as generous paymasters as the two Breton adventurers expected, so we find them once more under the French flag, playing merry havoc with the English trading forts and ships as emissaries of the Compagnie du Nord of Quebec. King Louis of France found it inconvenient to approve, and since the Bretons had instructions to rebuild the forts they had burned down, Radisson went back once more in a Hudson's Bay Company vessel and shipped out a fortune of furs under the nose of the Compagnie du Nord. Eventually, he died a sadder and wiser pensioner of the company in London.

Then it was in and out for French and English till the Treaty of Utrecht, in 1713, when France gave up her claims and the Hudson's Bay Company was left in undisturbed possession of that avenue to the northern fur country.

The demand for fur in France in-

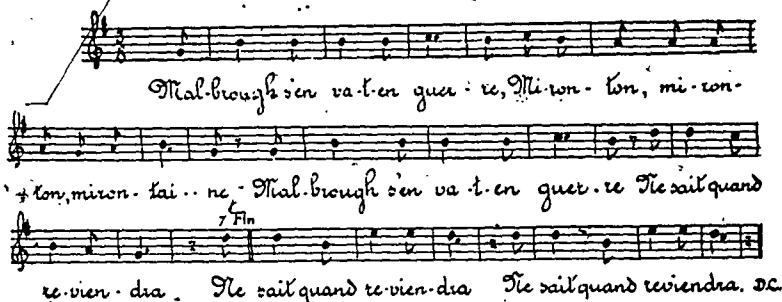


Pierre de la Vérendrye
From the Statue by Baillet at the
Parliament Buildings, Quebec.

creased with the vagaries of fashion. In the reign of Louis XIV, Princess Palatine, Charlotte Elizabeth, who was the Grand Monarch's sister-in-law, introduced the so-called "palatine" or fur cape. Muffs became the mode for men as well as women, the latter adopting the fashion of wearing muffs large enough to carry lap dogs. When Louis XV, in 1725, married Marie Leczińska, the Polish *hongreline*, or frogged fur bodice, captured the fancy of ladies of fashion, and fortunes were spent on fur cloaks. Jean Antoine Watteau, one of the Court painters of the time, painted a portrait of himself in costly fur-trimmed coat. In the year 1755 the records show that the annual value of furs shipped into France was one hundred and thirty-five thousand pounds, or six hundred and seventy-five thousand dollars, as compared to ninety thousand pounds imported into England.

In the meanwhile, the French *coueurs de bois* were pushing west by way of the Great Lakes and the inland island-dotted waterways of Rainy River and the Lake of the Woods. De Noyon built himself a trading post for the winter of 1688 on the Rainy River. Du Luth was sent by Count Frontenac, Governor of New France, in 1678, to secure for the French, at Montreal, the fur trade of the Sioux at Fond du Lac, the head of Lake Superior, and succeeded in diverting this source of revenue from the Hudson's Bay Company. One of the forts he built was at Lake Nipigon, erected in 1684. At Fond du Lac the Indians told him of a great water twenty days' journey distant, giving him salt from this water which he believed must come from the Vermillion Sea or Gulf of California. The city of Duluth owes its name to this early pioneer. There he met Assiniboines from the prairies, who spoke of men who were white and bearded and rode on horseback. Stirred by De Noyon's reports, Governor Vaudreuil and Intendant Talon recommended the Duke of Orleans to grant fifty thousand livres for the building of three posts in *le pays d'En Haut* (the Upper Country) as a basis for an expedition to the Western Sea. They said that some savages had brought to Count Frontenac pieces of silver which appeared to have Chinese characters on them. They said they obtained them from a ship with which they had traded at the seashore. The Duke was in a genial mood in these

Malbrough



days, for he was coining money in the Mississippi Company. One trading fort was built in 1717, at Kaministiquia (now Fort William), on the site of an old post established by Du Luth in 1678. The second was erected on Rainy Lake, but lack of funds delayed further progress.

Pierre Gaultier de la Vérendrye, a Canadian by birth who had crossed to France to fight against Marlborough at Malplaquet, returned to seek fortune as a fur trader in the West. He brought back with him and handed on to his voyageurs the chanson sung in the French Army

*"Malbrouck s'en va-t-en guerre
 Miraton, miraton, mirataine,"
 etc., etc.*

and to the rhythm of this song went the paddles of many a canoe in the Canadian backwoods for many a year. Fortified with a monopoly of the fur trade west of Lake Superior, La Vérendrye built a fort on Lake of the Woods in 1732 and reached Lake Winnipeg next spring, arranging for the erection of Fort Maurepas, at the mouth of the Winnipeg River in the following year, while he himself returned to Montreal. With Fort Maurepas as the base, he found a canoe route out of Lake Winnipeg up the Assiniboine River on which he built Fort La Reine, on the site of the present Portage La Prairie. From this fort he made an expedition to the Mandan tribe on the Missouri, and there heard of white men clad in mail and living in stone houses—evidently Spaniards. He was convinced that the Missouri flowed into the

Pacific, though the current sarcasm at Quebec was that three explorers were looking not for the Western Sea but for the sea of beaver. While waiting for authority to follow up this discovery, he sent one of his sons to erect a fort, Fort Bourbon, at the mouth of the Saskatchewan River at the north end of Lake Winnipeg, and about this time probably built Fort Rouge on the site of the present Winnipeg at the confluence of the Red and Assiniboine Rivers. In 1742 his two sons made a second trip to the Missouri Country and travelled as far West as Helena, Montana, where the Missouri penetrated the Belt Range of the Rockies. La Vérendrye's explorations were carried on after his death by Boucher de Niverville, who went up the Saskatchewan and followed the South Fork, passing the site of the present Saskatoon and continuing to the upper reaches of the Bow River as far as the present site of Calgary, near which Fort La Jonquière was built in 1751, close to the foothills of the Rockies. Other forts on the Saskatchewan dating from this time are Fort Paskoya and Fort à la Corne, while the route took the explorers past the present site of Battleford. The general direction of La Vérendrye's trail is curiously paralleled by the route ultimately taken by the Canadian Pacific Railway, which like this valiant Frenchman followed the sun in its orbit.

This overland expansion of French interests in the West naturally cut into the fur-trading preserves of the English, to whose forts on Hudson Bay the Indians east of the Rockies had hitherto brought their annual harvest of pelts. When Anthony Hendry, with a flotilla of canoes, left York Factory in 1754, on an exploring expedition to winter on the Red Deer River, half-way between the present Calgary and Edmonton, he came across the French post of Fort à la Corne, on the Saskatchewan, and lost valuable furs which his Indians appear to have traded for liquor.

Goldsmith's Chinese traveller found the reason for the war of 1759 between France and England as

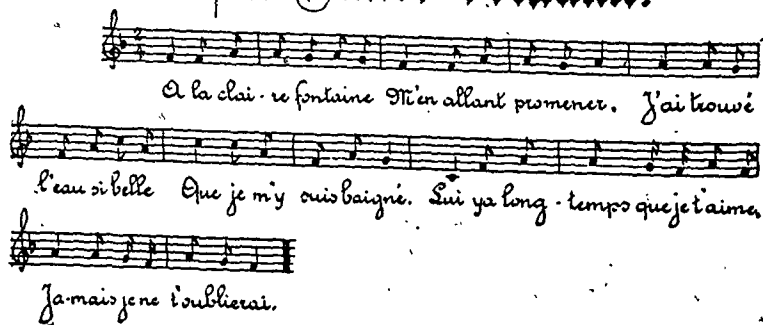
"all upon account of one side's desiring to wear greater quantities of *furs* than the other. The pretext of the war is about some lands a thousand leagues off—a country cold, desolate and hideous . . . the savages of Canada claim a property in the country in dispute . . . their native forests produced all the necessaries

of life, and they found ample luxury in the enjoyment. In this manner they might have continued to live to eternity had not the English been informed that those countries produced furs in great abundance. From that moment the country became an object of desire; it was found that furs were things very much wanted in England; the ladies edged some of their clothes with furs, and muffs were worn both by gentlemen and ladies. In short, furs were found indispensably necessary for the happiness of the state; and the King was consequently petitioned to grant . . . the country of Canada to the subjects of England in order to have the people supplied with the proper quantities of this very necessary commodity. . . . The French, who were equally in want of furs (for they were as fond of muffs and tippets as the English) made the very same request to their Monarch . . . who generously granted what was not his to give."

This seven years' war waged for dominion over the country of furs ended in the capture of Quebec and Montreal, the occupation of Detroit, and finally the Treaty of Paris, which gave to Great Britain domain over the territory formerly owned by France.

With that cession the old voyageur chanson *A la claire fontaine* took on a new meaning. Hitherto it had been merely the ballad of a lover separated from his mistress because he had been careless of a bouquet of roses. Now the song came to have the symbolical meaning of the people of New France separated from their old land and as such it was sung with a new intensity from the shores of the Atlantic along the waterways that carried the voyageur's canoe into the far northwestern interior.

A la Claire Fontaine.



CHINESE INFLUENCE ON EUROPE

CATHAY, now better known as China, still shone as a lode-star to the European fortune-hunter. The Portuguese monopoly of the trade with the Orient by way of the Cape of Good Hope had been successfully challenged by French, Dutch and English in the latter half of the sixteenth century, and the East India Company, chartered in her last years by Queen Elizabeth, established factories, forts, harbours and eventually dominion in India which enabled British merchants to build up a prosperous trade with China. The East Indiamen sailed into the docks at Deptford laden with silks and tea, a leaf which brought to England her now national beverage. The popularity of silk in sixteenth century Europe for hose and doublets was due, according to Fynes Morrison, to its efficacy as a preventive against lice.

Tea-drinking was introduced into England by Catherine of Braganza, consort of Charles II, who brought as part of her dowry trading privileges for the British at Portuguese concessions in the East Indies, and incidentally, Macao. Hence the verse of Edmund Waller, a commissioner of trade as well as a Court poet:

"The best of Queens and best of herbs we owe
To that bold nation who the way did show
To the fair region where the sun doth rise,
Whose rich productions we so justly prize."

Pepys tasted tea in 1660, and Thomas Garway, who made it popular at Garraway's, his celebrated coffee house, wrote in 1669 that

"in respect of its scarceness and dearness, it hath been only used as a regalia in high treatments and entertainments, and presents made thereof to Princes and Grandees."



Catherine of Braganza whose dowry gave the British entrée into Pacific ports

From a painting by Sir Peter Lely.

In 1684 the East India Company was trading directly with Chinese merchants at Canton, and the cargoes of tea increased accordingly. The first factory established under the Hong system was built by the East India Company in 1715. Queen Anne kept up the vogue of tea-drinking at Hampton Court,

"Here Thou, great Anna, whom these
Realms obey,
Dost sometimes Counsel take, and
sometimes *Tea*."

—From *The Rape of the Lock*,
Alexander Pope.

By the end of the eighteenth century, Englishmen were tipping tea to the extent of two pounds per head per annum. Chippendale designed tea-caddies and Colley Cibber made one of his characters say

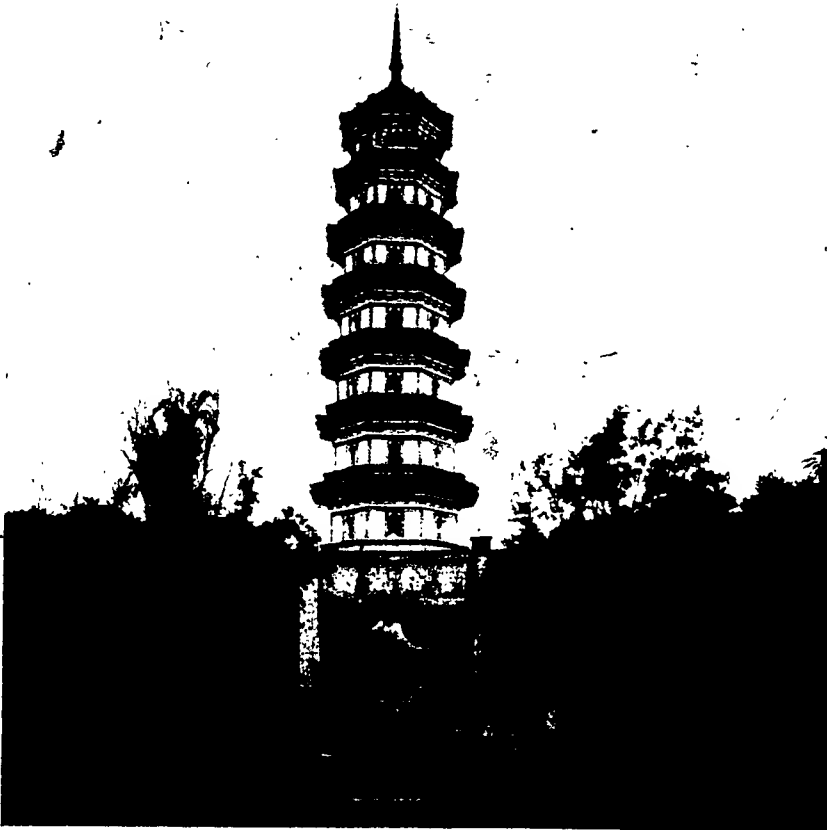
"Tea! thou soft, thou sober, sage and venerable liquid; thou female tongue-running, smile-smoothing, heart-opening, wink-tipping cordial, to whose glorious insipidity I owe the happiest moments of my life, let me fall prostrate."

It was a cargo of China tea in Boston that started the American revolution, for the test case of England's claim to tax the Colonies was based on the tea which the Bostonians dumped into the harbour. Not that the Americans wished to deprive themselves of this aromatic stimulant, for in 1785 the *Empress of China* entered New York with a cargo of tea from Canton, followed two years later in Salem by the *Grand Turk*.

Another Chinese product which vastly influenced European taste was porcelain, and the vessels trading with China—Dutch, Portuguese, French and English—brought crates upon crates of ginger jars, bowls, vases, and what not, exquisite in their glazes and designs, and providing material for European potteries to



Tartar Wall at Peking.
Dating from the third century B.C.



Flower Pagoda at Canton.
Dating from the sixth century A.D.



Native Village in Hawaii.
Formerly known as the Sandwich Islands.



From a drawing by J. Webber in *Cook's Third Voyage*, 1784.
Sea Otter.

imitate. Here were revealed the opalescent glazes of the Sung dynasty, anteceding Kublai Khan himself, in shades of lavender, red, blue, purple and black; blue and white, blood red and egg-shell porcelains of the Ming dynasty; pictorial and plum blossom jats of the K'ang-hsi period; rose-tinted vases with the teadust glaze of the reign of K'ien-lung. William of Orange's Queen Mary had brought from Holland the fashion of Chinese ornaments, and made every Duchess envious of her tea-set of China cups without handles. It was a severe



Queen Anne who set the fashion of *Chinoiserie* in England
From a painting by Charles Boit.

test that Alexander Pope set for the composure of a perfect lady, that she should remain "mistress of herself, though China fall."

The English potters must have been waiting at the docks for the six hundred ton East Indiamen to unload their porcelain treasures from China, for we find the wares of Bow, Chelsea and Worcester factories of the mid-eighteenth century closely imitating Chinese ware. The pottery at Stratford-le-bow, in East London, owned by Weatherby and Crowther, was known as New Canton. Worcester favoured Chinese blue and white in this early period. At Plymouth a porcelain was made from Devonshire clay on a Chinese recipe.

Chinoiserie were all the fashion. The vogue for these came originally from France, where we find Antoine Watteau making Chinese decorations for the King's Château de la Muette near Paris. Chippendale designed a Chinese bedroom for Claydon House, and introduced carved tracery and geometrical latticework of Chinese pattern into his furniture. Sir William Chambers designed buildings of Chinese architecture for Augusta, Princess Dowager of Wales, at Kew Gardens, of which the pagoda still remains. He wrote a dissertation on Oriental gardening in which he preached the gospel of Chinese landscape. The Duke of Kent, father of Queen Victoria, evidently had a taste for Chinese pagodas, for he had several of them built in the garden at Halifax, when he came

to reside in Nova Scotia in 1796. The "Chinese House" was a popular pavilion at Ranelagh Gardens.

The desire to visit China affected even the great Dr. Samuel Johnson. According to Boswell

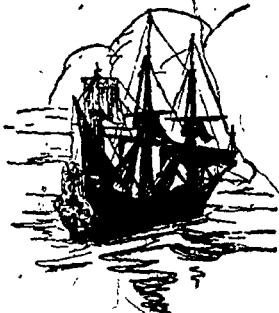
"He talked with an uncommon animation of travelling into distant countries. He expressed a particular enthusiasm with respect to visiting the wall of China. I caught it for the moment, and said I really believed I should go and see the wall of China had I not children, of whom it was my duty to take care. 'Sir,' said he, 'by doing so, you would do what would be of importance in raising your children to eminence. There would be a lustre reflected on them from your spirit and curiosity. They would be at all times regarded as the children of a man who had gone to view the wall of China; I am serious, Sir.'"

Oliver Goldsmith entertained the town vastly with his "Chinese Letters" written at a guinea a time for the *Public Ledger*. In these a Chinese traveller takes off the London of his day (1760) by comparison with his own country.

"The furniture, frippery and fireworks of China, have long been fashionably bought up. I'll try the fair with a small cargo of Chinese morality."

Lien Chi-Altangi, his Chinese traveller, writes,

"The streets of Nankin are sometimes strewn with gold leaf; very different are those of London; in the midst of their pavement a great lazy puddle moves muddily along. . . . A leaf of political instruction is served up every morning with tea to the Englishman."



Dutch East Indiaman of the
seventeenth century

A lady of distinction whom Lien Chi Altangi visits says,

"I have got twenty things from China that are of no use in the



Nikou

Drawn by Boucher from the mural painted by Antoine Watteau for a Château of Louis XV.

world. Look at these jars, they are of the right pea-green . . . pray, Sir, examine the beauties of that Chinese temple at the foot of the garden." She took Lien Chi "through several rooms, all furnished, as she told me, in the Chinese manner; sprawling dragons, squatting pagodas, and clumsy mandarins were stuck upon every shelf."

The long purses of the burghers drawing forty per cent from their shares in the Dutch East India Company, trading particularly with China, Java and the Spice Islands, developed the ship-building craft which made Holland one of the great naval powers of Europe in the seventeenth century and filled the cities of the Zuyder Zee with stately buildings. In the eighteenth century it was the lavish ostentation of the nabobs of John Company in

London that brought home to Englishmen the immense wealth of India and China. These were the *nouveaux riches* of their time, buying their way into society and public life. William Pitt, first Earl of Chatham, was voicing widespread opinion when he said in 1770:

"For some years past there has been an influx of wealth into this country which has been attended with many fatal consequences, because it has not been the regular, natural product of labour and industry. The riches of Asia have been poured upon us, and have brought with them not only Asiatic luxury, but, I fear, Asiatic principles of Government. Without connections, without any interest in the soil, the importers of foreign gold have forced their way into Parliament by such a torrent of private corruption as no private hereditary fortune can resist."



Captain James Cook
From the painting by Dance in
Greenwich Hospital.

In 1793 the British Government thought to help improve trade relations with the Chinese by sending an embassy under Earl Macartney to the Emperor K'ien-lung at Peking. This Manchu potentate received the Ambassador politely, spending eight hundred thousand dollars on entertainment and presents. But a shiver went through Downing Street when the translation of his reply to King George III was read:

"You, O King, live beyond the confines of many seas, nevertheless, impelled by your humble desire to partake of the benefits of our civilization, you have dispatched a mission respectfully bearing your memorial. . . . I have perused your memorial; the earnest terms in which it is couched reveal a respectful humility on your part, which is highly praiseworthy. In consideration of the fact that your Ambassador and his deputy have come a long way with your memorial and tribute, I have shown them high favor and have allowed them to be introduced into my presence. To manifest my indulgence, I have entertained them at a banquet and made them numerous gifts. . . . As to your entreaty

to send one of your nationals to be accredited to my Celestial Court and to be in control of your country's trade with China, this request is contrary to all usage of my dynasty and cannot possibly be entertained."

While the French fur traders were forging west, the Hudson's Bay Company men were sitting in their forts waiting for the Indians to bring in their pelts. This they did quite successfully, to the great profit of their directors, who salved their conscience in regard to the Northwest Passage by sending James Knight with two vessels in 1719 "to discover gold and other valuable commodities to the Northward" and equipped him with iron-bound chests to hold the gold dust. As the vessels never returned, a relief expedition was sent, under John Scroggs, who took black whales as evidence that there was continuous water from the Pacific to the Atlantic. Interest in the Northwest Passage was renewed through a campaign by an Irishman, Arthur Dobbs, which resulted in 1745 in a government offer of twenty thousand pounds reward to the discoverer. Dobbs organised expeditions of his own while flaying the Hudson's Bay Company for its apparent indifference to exploration. This attack led to the expedition of Anthony Hendry to the Red Deer River, in 1754, and to the dispatch fifteen years later of Samuel Hearne, to discover the source of copper brought by Indians to the fort on Churchill River and incidentally "to clear up the point respecting a passage out of Hudson Bay into the Western Ocean." Hearne placed on the map the Coppermine River, with its outlet on the Arctic Sea, and proved to his own satisfaction that there was no Northwest Passage through Hudson Bay. In 1774, Hearne established Cumberland Fort, on the Saskatchewan River, the fourth inland trading post built to compete with the invading Montreal fur traders. Two years later the reward offered by the British Government for the discovery of a Northwest Passage was extended to apply to ships exploring from the Pacific Ocean and to ships of the Royal Navy. This offer provided Lord Sandwich, First Lord of the Admiralty, with the excuse for sending Captain Cook in the *Resolution* and Captain Clarke in the *Discovery* on the historic voyage to the North Pacific which paved the way for British

supremacy in these waters and gave the name of Sandwich Islands for a while to Hawaii.

Earlier in this same century, Vitus Bering, a Dane in the service of Peter the Great, had discovered that a strait separated Russia from the northwestern corner of America, and in 1741 followed up this discovery by surveying the coast and islands of what is now known as Alaska, but which for a considerable time came to be known as Russian America, as the Russians established forts at strategic points so as to control the fur trade in the northern Pacific. Bering died on this expedition, but the Straits have immortalised his name.



Japanese Map of the World brought to Europe in 1693 by Engelbrecht Kacmpfer.

OVERLAND TO THE PACIFIC

THE TRANSFER of Canada to Great Britain opened the French river and lake route to a host of adventurers, mostly Montreal traders of Scottish extraction who continued to employ the French-Canadian voyageur canoemen. The American tobacco trade had fallen largely into the hands of the so-called "Virginia merchants" of Glasgow, and now that there was Open Sesame to the treasures of the fur trade, they were soon to be found dominating Montreal. There was no lack of adventurous recruits among those of Jacobite leanings, who found Scotland uncomfortable. The Hudson's Bay Company was an English enterprise, and the Scot had no particular love for the English, except as a race which might be profitably exploited. The Ancient League or "Auld Alliance" between Scotland and France might have lapsed but was still not forgotten. The ease with which the Fraser colonists merged with the French at Murray Bay on the north bank of the St. Lawrence, so that today they are indistinguishable, is only another phase of the sympathy between the two races which made the French voyageurs glad to work for Scottish masters in the fur trade. Hence we find such a galaxy of Scottish names among the traders following the French route—Alexander Henry, from the Cameronian Colony of New Jersey, who shared in the monopoly of the trade of Lake Superior at Michilimackinac; Thomas Curry, James Finlay, Simon McTavish, Roderick and Alexander Mackenzie, Cuthbert Grant, Simon Fraser, Duncan Livingston, Archibald Norman MacLeod, Angus Shaw, William McGillivray, Alexander Fraser, David, John and Robert Stuart. Even at this early date the fur traders of Montreal realized that there was a market for their pelts at Canton, for in his account of the fur trade, Alexander Mackenzie states that in 1778 a considerable number of beaver, otter and kit-fox skins had been

sent through the United States to be marketed in China.

In his *Journal of a Tour to the Hebrides with Samuel Johnson, L.L.D.*, Boswell describes a dance held at a house in Skye in which a storm had marooned the travellers.

"They call it *America*. Each of the couples after the common *involutions* and *evolutions*, successively whirls round in a circle, till all are in motion; and the dance seems intended to show how emigration catches, till a whole neighbourhood is set afloat. Mrs. McKinnon told me that last year, when a ship sailed from Portree for America, the people on shore were almost distracted when they saw their relations go off; they lay down on the ground, tumbled, and tore the grass with their teeth—this year there was not a tear shed. The people on shore seemed to think they would soon follow."

In this year, 1773, Alexander Mackenzie was a growing lad at Stornoway in the island of Lewis, a port from which so many an emigrant ship was putting to sea with its cargo of hopes and fears. The collapse of the rebellion of 1745 was followed by a change in land tenure which made the old life impossible for the tacksmen or tenantry of the islands. The Highland Chief no longer needed a retinue of warriors, and rents were raised to replace the revenues formerly available through raid and foray. Alexander Mackenzie wrote that he came to America with "commercial views," although it was only the accident of the American Revolution that sent him from New York to Montreal. The life of a fur trader faring in canoe over the rivers and lakes of Canada would not come amiss to a West-Coast-of-Scotland Highland lad spending half of his playtime on boats. Describing his trip between two ports of Skye, Boswell writes:

"Our boatmen were rude singers and seemed so like wild Indians, that a very little imagination was necessary to give me an impression of being on an American river."

Young Mackenzie may well have heard as a lad the traveller's prayer of the islands, sung of course in Gaelic, of which Alexander Carmichael gives the translation:

"Life be in my speech,
Sense in what I say,

The bloom of cherries on my lips
Till I come back again.

"The love Christ Jesus gave
Be filling every heart for me,
The love Christ Jesus gave
Filling me for every one.

"Traversing corries, traversing forests,
Traversing valleys long and wild,
The fair white Mary still uphold me,
The Shepherd Jesu be my shield."

—From *Carmina Gadélica*.

Coming to Montreal about the year 1776, Mackenzie worked for a time in the countinghouse of Gregory and McLeod, where he had ample opportunity to become familiar with the fur trade. The shortest and most frequented route to the northwest followed that of the earlier French explorers by way of the Ottawa and Mattawa Rivers to Lake Nipissing and then by the French River to Lake Huron; then through Sault Ste. Marie to Lake Superior along the north shore of which the canoes coasted to Grand Portage, near the present Fort William. At the rapids near the outlet of the Ottawa into the St. Lawrence was Ste. Anne, with its church dedicated to the patron saint of sailors. Here the green-horn voyageurs were initiated by those who had already made the trip into the interior. Peter Pond, an American fur trader who came to Montreal a few years before Mackenzie, has left a quaint description:

"As you Pass the End of the Island of Montreal to Go in a Small Lake Cald the Lake of the (Two) Mountains thare Stans a Small Roman Church Aganst a Small Raped. This Church is Dedacated to St. Ann who Protects all Voigers. Heare is a small Box with a Hole in the top for ye Reseption of a Little-Money for the Hole father or to say a small Mass for those who Put a small Sum in the Box. Scars a Voiger but stops hear and Puts in his mite and By that Meanes thay Suppose thay are Protected. While absent the Church is not Locked But the Money Box is well Secured from theaves. After the Saremony of Crossing them selves and Repeating a Short Prayer we Crost the Lake and Enterd the Grand (Ottawa) River so Cald which Lead us to the Waters which Coms in to that River from the South-west."

Alexander Henry, the Cameronian Scot, another contemporary of Mackenzie adds this information:

"There is still a further custom to be observed on arriving at St. Ann and which is that of distributing eight gallons of rum to each canoe (a gallon for each man) for consumption during the voyage; nor is it less according to custom to drink the whole of this liquor upon the spot. The saint, therefore, and the priest were no sooner dismissed than a scene of intoxication began in which my men surpassed, if possible, the drunken Indian in singing, fighting, and the display of savage gesture and conceit."

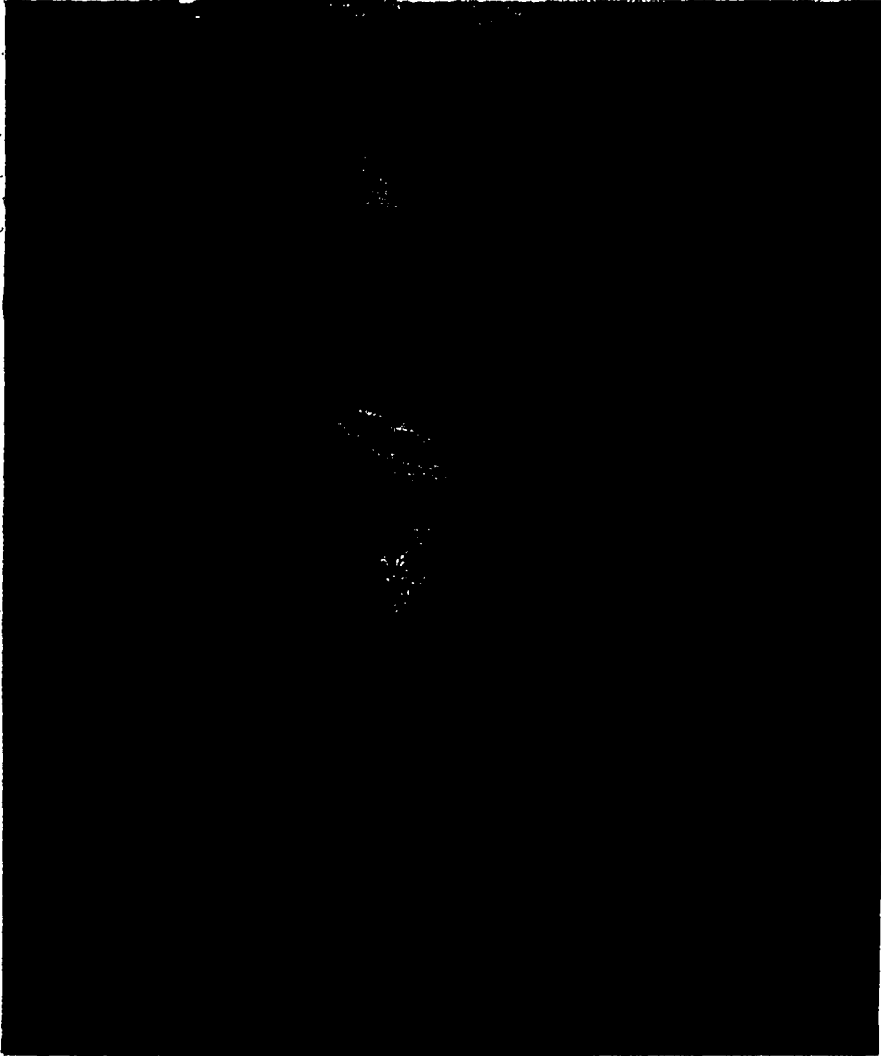
Mackenzie was no doubt acquainted with this route and its traditions, but in the year 1784 he had the opportunity of setting out for himself on a venture to Detroit, the route to which led straight up the St. Lawrence into Lake Ontario, then by portage round Niagara Falls and by water again through Lake Erie.

In this year the competition among the Montreal fur traders had become so acute that they decided to join forces, and young Mackenzie, elected a partner in the new Northwest Company, attended their first meeting at Grand Portage, the central point at the head of the Great Lakes, where the Comers and Goers from the east met the Winterers of the west to exchange supplies for the furs already collected. Mackenzie nursed the ambition of finding a route to the Western Ocean either through a river flowing into the Northwest Passage or into the Western Ocean itself.

"Being endowed by Nature with an inquisitive mind and enterprising spirit; possessing also a constitution and frame of body equal to the most arduous undertakings,—I not only contemplated the practicability of penetrating across the continent of America, but was confident in the qualifications, as I was animated by the desire, to undertake the enterprise."

Wintering at the new Fort Chipewyan on Lake Athabaska, he set out in 1789 with four French Canadian voyageurs, a young German and some Indians to discover a river said to be greater even than the Coppermine River recently discovered by a Hudson's Bay Company trader, Samuel Hearne. This might be the "great river" flowing into the Western Sea which Captain James Cook had discovered in 1778 but had left behind to go farther north

COLOURED



From the painting by Sir Thomas Lawrence. Reproduced
by permission of the National Gallery of Canada.

Sir Alexander Mackenzie:

(1763-1820)

Fur Trader and Explorer.



in search of a passage through Arctic seas to the Atlantic.

Mackenzie had travelled by canoe through Lakes Erie, Huron and Superior to Grand Portage, and by canoe with occasional portages through Rainy Lake, Lake of the Woods, Lake Winnipeg (a turbulent windswept body into which all the five hundred islands of the Hebrides could have been dropped and still left twice as much water as land) the Saskatchewan and Churchill Rivers, through Clear Lake and Buffalo Lake over Portage La Loche to the Clearwater River, a branch of the Athabaska River running into Athabaska Lake. It was in a large sail-carrying *canôt de maître*, thirty-two feet long, four feet ten inches wide, narrowing at each end to two feet six inches, and two feet deep, that he set out on this further voyage.

Mackenzie found that the outlet to the river which now bears his own name flowed not into the Western Sea but into the Arctic, and was nowhere in sight of the Icy Cape which Cook had reached. The ice which blocked the delta of his own river forced him to turn back, and indeed he named the river "Disappointment," but enough had been seen to convince him that "the Northwest Passage is impracticable." The river which Alexander Mackenzie discovered is the longest in British North America, two thousand three hundred fifty miles to its source with an average width of a mile. It is an outlet of Great Slave Lake, which is larger even than Lake Winnipeg, and drains an area exceeding that of Germany, France, Spain and Portugal combined.

Between his first and second voyages of exploration, Alexander Mackenzie returned to England so that he could learn scientific methods of observation and acquire the necessary instruments. There he must have become acquainted with the recent British exploits on the Pacific and the development of the fur trade on that ocean. The British had been stirred to renewed activity by recent enterprise of both Americans and Spanish. The Americans were not bound by the regulations which gave the East India Company the monopoly of British trade in China, and commencing with the sailing of the *Empress of China* from New York in 1784 had developed so much business that by 1789 the United States was second in the field and had fifteen vessels in Canton.

STEEL OF EMPIRE

They had a resident Consul at Canton in Major Samuel Shaw, and Boston merchants were said to be making fortunes out of the China trade. The Americans did not allow their democratic principles to interfere with business and entrusted Captain John Green of the *Empress of China* with sea letters that remind us of Marco Polo's prologue to his book of travels:

"Most serene, most puissant, high illustrious, noble, honorable, venerable, wise and prudent Emperors, Kings, republics, princes, dukes, earls, barons, lords, burgomasters, counsellors, as also judges, officers, justiciaries and regents of all the good cities and places, whether ecclesiastical or secular, who shall see these patents or hear them read, etc., etc."

The Spaniards had been following up recent explorations farther north in the Pacific, and were laying claim to territory that Captain Cook had discovered. Just before Mackenzie arrived in London, Captain George Vancouver had sailed for Nootka to put into force the terms of a recent convention with Spain.

Captain Cook's vessel, the *Resolution*, had been taken to Canton after the explorer's death. Canton was the chief fur market in the Orient, and through the medium of English merchants in that port, high prices were offered for the sea-otter skins which had been collected on Cook's voyage of northern discovery. The mandarins treasured these night-black pelts, shimmering as if with silver starlight.

Captain Cook's *A Voyage to the Pacific Ocean*, the third volume of which was written by Captain King, was published in 1784 and filled the North Pacific with a host of British and American fur-trading vessels. The French were interested and sent Admiral La Pérouse on a voyage of investigation, in which he picked up a thousand sea-otter skins to sell at Canton. Thomas Jefferson, afterwards to be president of the United States, was at this time American ambassador in Paris, and through contact with John Ledyard, an American who had served with Captain Cook, gained the knowledge of the sea treasures of the North Pacific, which encouraged him to support John Jacob Astor's ambitious plan of Astoria. James Hanna was the first British sea captain on the spot, followed by Guise, Meares and Tipping, Portland and

George Dixon, Duncan and Colnett, and Barkley sailing for an Austrian company. The Americans appeared on the scene in 1787, two years later than Hanna, with Kendrick, Gray (who discovered the mouth of the Columbia River), Metcalfe and Ingraham—Boston Northwesters all scouring the coast for sea otters to sell in Canton. These would set out from Boston with axes, tobacco and trinkets—Gray traded one axe for eight thousand dollars' worth of furs—then eight months later would sail with skins for Canton to be traded for teas and silks. John Meares, a former lieutenant in the British Navy, made his first trip to this coast in 1786 on the *Nootka*, a British ship, and returned as merchant captain in 1786, with the *Felice* and the *Iphigenia*, financed by British merchants but flying the Portuguese flag in order to evade the monopoly of the East India Company and of the South Sea Company which had the exclusive right in British trade on the west coast of America and within three hundred leagues thereof. He gave the Nootka Chief Maquinna an unspecified gift which is said to have been a pair of horse pistols in exchange for land on which to erect a fort, and with the assistance of Chinese carpenters, whom he had brought from Macao, built there a vessel of forty tons, which he called the *Northwest America*. Meares seems to have been the pioneer in encouraging Chinese immigration into North America, for in 1788 he brought with him seventy Chinamen as settlers round his fort at Nootka. Meares' published account of his explorations was violently attacked by Captain George Dixon, who had served under Captain Cook. The volume included "Observations on the probable existence of a North-West Passage; and some Account of the Trade between the North-West Coast of America and China, and the latter country and Great Britain." The Spanish grew alarmed, and the *Northwest America*, together with the *Iphigenia*, under Captain William Douglas, were seized by a Spanish man o' war at Nootka for poaching; followed by the seizure of two other British ships from Macao, the *Princess Royal* and the *Argonaut*. Nootka was restored to British suzerainty under the treaty of 1790.

Mackenzie's fur-trading instincts told him that the discovery

of a direct route to the Western Sea was more than ever desirable. To use his own words, the object of his second voyage was "to determine the practicability of a commercial communication through the continent of North America between the Atlantic and Pacific Oceans." He decided to give more time to this second voyage, and wintered farther west than Lake Athabaska at a fort which he built on the Peace River eight miles above Peace River Crossing.

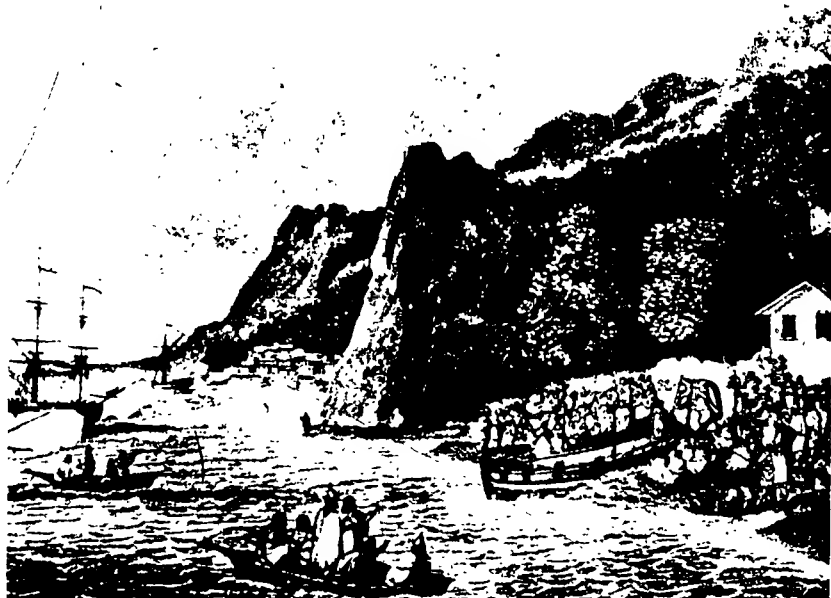
In the following spring of 1792 he set out in a canoe built so light that two men could carry it, and yet strong enough to carry a load of three tons. It was twenty-five feet long, four feet nine inches wide in the middle, and twenty-six inches deep. With him he took a fellow Scot as foreman, Alexander McKay, six French Canadian voyageurs, and two Indian interpreters and hunters. The traverse to the Pacific coast took from May ninth to July twenty-second, following the upper reaches of the Peace River and its southern tributary the Parsnip, crossing the Great Divide to the upper reaches of the Fraser River, then turning west by a trail along the Blackwater River to strike the Bella Coola River and so reach the ocean. There, as he wrote:

"I now mixed up some vermilion in melted grease, and inscribed in large characters on the south-east face of the rock on which we had slept, this brief memorial: 'Alexander Mackenzie, from Canada by land, the twenty-second of July, 1793.'"



Madame Molé-Raymond (illustrating demand for fur created by fashion)
From the painting by Vigé Le Brun, in the Louvre.

Only an inflexible determination and endurance could have carried the expedition past cataract and canyon over this uncharted pass, and it should not be forgotten that all but two hundred miles of the trip was accomplished in canoe. If Mackenzie had continued down the Fraser to its mouth, as Simon Fraser did twelve years later, his whole voyage would have been by waterways, from London to Montreal by ship, and from



From John Meares' *Voyages*.

Launch of the *North West America*, 1786, at Nootka.

First ship built in British Columbia.



From a painting in the Collection of the Bostonian Society.

Captain Robert Gray's Ship *The Lady Washington* Attacked by Hostile Indians off Vancouver Island.



Kootenai Fort.

Replica of that erected by David Thompson on Lake Windermere, B. C.



From the painting by Cyrus Cuneo.

Simon Fraser Shooting the Rapids of the Fraser River.

Montreal to the Pacific by canoe.

Only a month before Captain George Vancouver had been sailing in that same neighbourhood, and one of his men had visited the Indian village of Bella Coola. Vancouver had accompanied Captain Cook on his two last voyages and had been sent by the British Admiralty, not only to settle the dispute with Spain as to the possession of Nootka Sound, but also to survey the North Pacific coast of America and verify the truth, or otherwise, of a passage connecting the Pacific with the Atlantic. Vancouver's report was:



Captain George Vancouver
From a painting in the National
Portrait Gallery.

"I trust that the survey will remove all doubt and set aside every opinion of a North West Passage."

So the idea of a short route to Cathay by a passage northwest of the intervening continent seemed to have run into a frozen beaverdam of doubt, from which there was no apparent exit. Yet even frozen dams may be unthawed, and outlets may be discovered in the warmth of spring, when further exploration may reveal that only one fork of the stream has been stemmed, the outlets from which rejoin the other farther on. The struggle with Napoleon was enough to distract England's attention from any westward or northwestward expansion, and even the great Napoleon himself was glad enough to sell Louisiana, a territory of a million square miles, to the United States for eighty million francs, of which sixty million francs was in ready cash. But the nineteenth century was still to come with its warming winds, and the spirit of adventure is not easily frozen into complete inertia.

Indeed, Mackenzie himself was the first to suggest an outlet for this stagnant idea in the development of a vast "Fishery and Fur Company," which should operate a chain of fur-trading posts along an overland passage to the Pacific. In the history of the fur trade with which he prefaced the narrative of his own voyages,

he referred to large annual shipment of furs collected in Canada through the United States to China "by a respectable house in London half-connected with the Northwest Company." It was not profitable for the Northwest Company to ship furs direct to China, as the monopoly of British trade held by the East India Company made it practically impossible for any British ship not belonging to that company to get a return cargo of tea, silk or porcelain. With the dawn of the new century, Mackenzie made strenuous efforts to interest the British Government in co-operating with the Nor'westers and the Hudson's Bay Company in organising a transport service by river, lake and portage across British North America, similar to the Russian trade route across Siberia. The South Sea Company (which did not lose its exclusive privilege of British trade with the Pacific Islands and the west coast of America till 1807) was brought into his plan as well as the East India Company, with its privileges in Canton. Mackenzie's scheme was to establish at Nootka, on Vancouver Island, a central fort and emporium for the control of the fur trade of northwest America and whaling trade of the Pacific, with a subsidiary fort at the mouth of the Columbia and another at Sea Otter Harbour north of Queen Charlotte Islands to command the Russian fur traders and the whalers of the North Pacific. The overland chain of forts with connecting waterways would provide rapid intercourse and trade with the Atlantic, and thus secure for Great Britain the markets of the four quarters of the globe.

Failing in this effort, he retired to an estate in Scotland.

If Alexander Mackenzie had been able to foresee the revolution in transport which was soon to be created by the steam railway, eliminating the circuitous routes of Nature's waterways, bridging rivers, tunnelling mountains, carving its way through canyons, he might have called his Overland Passage the Canadian Pacific.

In 1797 Mackenzie was at Grand Portage, the central meeting place of the Nor'westers, when there arrived a young man, David Thompson, who had just resigned from the Hudson's Bay Company's service because of its lack of interest in his desire for exploration. Mackenzie gave David Thompson his opportunity to

commence the surveys for the map which for many years was a wall decoration in the Company's post at the head of Lake Superior.

The Montreal fur traders had followed the north fork of the Saskatchewan, as is indicated by the forts they built—Fort Battle River (now Battleford), Fort George, Fort Augustus, Fort Edmonton. Following the upper reaches of the Saskatchewan, Peter Pangman reached, in 1790, the site of Rocky Mountain House, which came to be the jumping-off place for the Howse Pass over the Rockies. It was over this pass that David Thompson, in 1807, made the first trip through to the Columbia River, up which he paddled to the lake now known as Lake Windermere, on a promontory of which he built Kootenai House. Owing to the hostility of the Piegan Indians, who considered this pass their own private affair, Thompson explored the Rockies for a pass farther north. This, the Athabaska Pass, which a party of independent traders had crossed some years earlier, was developed by David Thompson as the regular route for the Nor'westers between the prairies and the Pacific coast. From Kootenai House, David Thompson added a novelty to the London market in a hundred silky hair skins of the white mountain goat. After four years of trading, exploring and surveying in that country, Thompson traced the lower reaches of the Kootenay and Columbia Rivers, claiming the country for Great Britain, but arriving at the mouth of the Columbia to find that John Jacob Astor's Pacific Fur Company had built the fort Astoria a few months before.

While David Thompson was summering at Kootenai House, at the head waters of the Columbia, Simon Fraser, another Nor'wester, had made the perilous descent down the foaming rapids through the precipitous gorges of the Fraser River to within sight of a bay of the Western Sea. Fraser was accompanied by John Stuart, Jules Quesnel, nineteen voyageurs and two Italians. John Stuart was an uncle of Donald A. Smith, later known as Lord Strathcona, and became in time chief factor in the Hudson's Bay Company and one of the great men in the world of fur traders. The peril of the descent of this river may be gathered from Simon Fraser's own description of the ninth day:

"Here the channel contracts to about forty yards, and is enclosed by two precipices of immense height which, bending towards each other, make it narrower above and below. The water which rolls down this extraordinary passage in tumultuous waves and with great velocity had a frightful appearance. However, it being absolutely impossible to carry the canoes by land, all hands without hesitation embarked, as it were, *à corps perdu* upon the mercy of this awful tide. Once engaged, the die was cast. Our great difficulty consisted in keeping the canoes within the medium, or *fil d'eau*: that is, clear of the precipice on the one side and from the gulfs formed by the waves on the other. Thus, skimming along as fast as lightning, the crews, cool and determined, followed each other in awful silence, and when we arrived at the end we stood gazing at each other in silent congratulation at our narrow escape from total destruction."

The hostility of the coast Indians forced Fraser to turn back before he could actually reach tide water.

The lodestar of Cathay still held these fur-trading explorers. Daniel Williams Harmon, one of the Nor'westers, writes in his diary on May 13, 1813, of the departure of John Stuart from Stuart's Lake with six Canadians and two natives for the Columbia River:

"Should Mr. Stuart be so successful as to discover a water communication between this and the Columbia, we shall for the future obtain our yearly supplies of goods by that route, and send our returns out that way, to be shipped directly for China in vessels which the company, in that case, design to build on the North West Coast."

John Stuart found a route from the Fraser River to Okanagan Lake and down the Okanagan River to the Columbia River, reaching Astoria in time to take part in the negotiations for the transfer to the Northwest Company of John Jacob Astor's abortive emporium on the Pacific.



From a contemporary sketch. - Courtesy McCord Museum.

John Jacob Astor Driving in a Sleigh from Lachine to Montreal.



From Franchère's *Narrative of a Voyage to the North West Coast of America*.

Astoria.



From a Chinese painting in the Peabody Museum, Salem.
Hongs at Canton, 1840.



From a Chinese painting in the Peabody Museum, Salem.
Pagoda Anchorage—Whampoa, Canton River, 1840:

ASTORIAN ADVENTURE

HERE is where Cathay comes once more into the picture, drawn there by a German, John Jacob Astor, who came by way of a London piano factory to New York, in 1784, with no stock in trade other than a genial disposition, high hopes and a package of flutes. A fellow passenger on his ship seems to have interested him in the fur trade, and he clerked in a fur store till he was sent by his employer to Montreal to arrange the shipment of furs direct from Canada to London. In 1786 he set up in business for himself in New York as agent for imported musical instruments with fur trading as a side line, as an advertisement in the *New York Packet* three years later quaintly indicates:

"John Jacob Astor
At No. 81 Queen Street,
Next door but one to the Friend's Meeting House,
Has for sale an assortment of
Piano Fortes of the Newest Construction,
Made by the best makers in London, which
he will sell at reasonable terms,
He gives cash for all kinds of Furs
And has for sale a quantity of Canada
Beavers and Beavering Coating, Racoon Skins
and Racoon Blankets, Muskrat Skins, etc., etc."

His fur trading took him frequently to Montreal, where he maintained an office and made friends with Alexander Henry, the Cameronian Scot from the Mohawk Valley. Montreal was celebrated for its hospitality, and with Henry's friendship and his own welcome music, John Jacob seems to have made headway with the Montreal traders for he apparently was invited to go up with the fur brigades to Grand Portage, where rum and music



John Jacob Astor

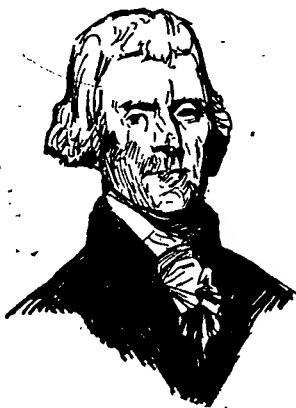
helped to pass many a pleasant hour. In 1794 Jay's Treaty enabled John Jacob to ship his furs direct from Canada to New York, and with growing fortune he made a trip to London in 1799. Here he met a boyhood friend in the East India Company, and from now on his interests were divided between tea and fur. Within four years he had a fleet of ships in the China trade. As Philip Hone, who auctioned his cargoes, wrote in his diary:

"The fur trade was the philosopher's stone of this modern Croesus, beaverskins and muskrats furnishing the oil for the supply of Aladdin's lamp. His traffic was the shipment of furs to China, where they brought immense prices—and the return cargoes of teas, silks and rich productions of China brought further large profits."

One of his ships was the *Severn*, and the records show that in 1803 he sold some of the return cargo from China to Montreal merchants. Another of his ships, the *Beaver*, made many profitable voyages to Canton, of which the most celebrated was that sailing from New York on August 12, 1808, in face of the embargo which Thomas Jefferson had declared forbidding American vessels to leave American ports while Britain was so obviously ruling the waves. The astute John Jacob had apparently taken advantage of the exception permitted in the case of important foreign officials who had to return to their native countries, and the tale goes that he dressed up a Chinese dock labourer in costly silks, representing him to be Punqua Wingchong, a Chinese mandarin of rank sufficiently high to wear a button on his hat, who desired to return to China where the funeral obsequies of his grandfather required his solemn attention. Incidentally the Chinese mandarin was accompanied by a cargo of highly profitable merchandise.

A month later John Jacob is on record as a guest at the cele-

brated Beaver Club in Montreal, the members of which were such of the leading fur traders as had spent at least one winter in the Indian country and who held convivial meetings at which a bottle of Madeira per man was the usual tippie. Alexander Henry was probably his host, and it may very well have been about this time that Astor made his first overtures to the Northwest Company to take a third share in the Pacific Fur Company which he was promoting.



Thomas Jefferson

John Jacob Astor had the ear of Thomas Jefferson, President of the United States, and with his knowledge of Alexander Mackenzie's plan for a British overland traffic to China, he suggested to the President that they should steal a march on the British, first by sending the Lewis and Clarke Expedition to discover a route to the Pacific through American territory across the Rockies by way of the headwaters of the Missouri River, and then by support of the establishment of Astoria at the mouth of the Columbia River. This was to be a centre on the Pacific coast from which the furs of North America and Eastern Siberia were to be shipped to China and traded for teas, silks, damasks, nankeens and jewels to be sold in the New York market—a "smooth, glittering, golden round," according to H. H. Bancroft, which would conclude with the overland trip to the Columbia "with beads and bells and blankets, guns, knives, tobacco and rum." Thus he would capture for American trade the Chinese fur market so profitably exploited by British and Russian traders, and planned to enter this market with furs collected and shipped from posts strategically placed in American territory across the continent between the Atlantic and the Pacific. His Pacific Fur Company, according to Alexander Ross, a Nor'wester clerk, who accompanied Astor's ship, the *Tonquin*, on her adventurous voyage in 1811 round Cape Horn to the Columbia, and took part in this enterprise,

"was to have annihilated the South Company, rivalled the North West Company, extinguished the Hudson's Bay Company, driven the Russians into the Frozen Ocean, and with the resources of China to have enriched America."

The Northwest Company had refused Astor's overtures, as is indicated in its petition to the British Government for a charter in 1812, where it is stated that an American Company

"have expressed a wish to avail themselves of the Capital and the Experience of the Parties who comprise that (the North West) Company, as well as of the extensive establishments which have been formed to carry on the Indian trade, and accordingly they have made repeated overtures to the North West Company to take a share in their Trade to the Columbia River. A third part of the Trade has been expressly offered to the North West Company . . . but the well-known Loyalty and Attachment of the North West Company to the Mother Country has hitherto formed an insuperable Obstacle to such a Union between the North West Company and the American Chartered Company, though it would in many respects conduce to the advantage of the North West Company, especially as they could then share in the benefit of a direct and unrestricted Trade to China."

Astor recruited his staff from the younger ranks of the Montreal fur traders, and sent his first ship, the *Tonquin*, round the Horn to the Columbia in 1810. Among those entering his service was Alexander Ross, author of an entertaining account of the Odyssey which ended in the founding of *Astoria*. He wrote:

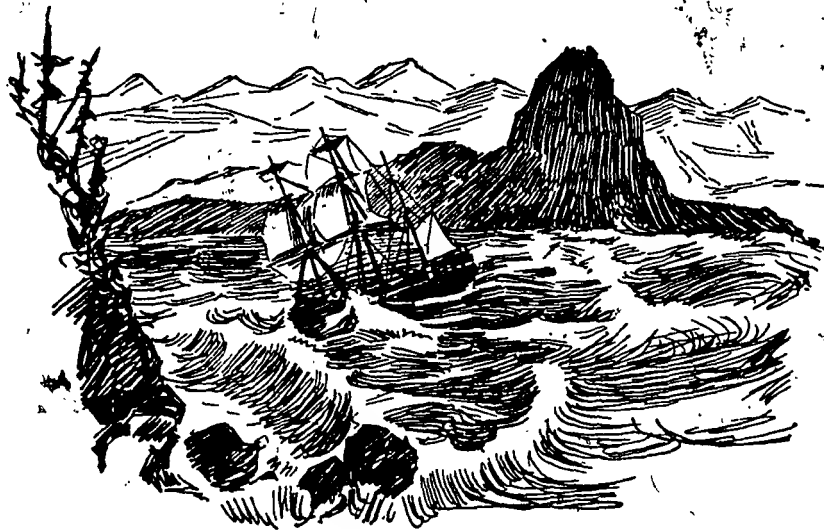
"Although the North-Westerners tried to throw all the cold water of the St. Lawrence on the project, yet they could not extinguish the flame it had spread abroad. The flattering hopes and golden prospects held out to adventurers, so influenced the public mind that the wonder-stricken believers flocked in from all quarters to share in the wonderful riches of the Far West."

Others who joined the Astor venture were Donald Mackenzie, a cousin of Alexander Mackenzie, and described afterwards by George Simpson as "a cool, determined man," Alexander M'Kay, who had accompanied Alexander Mackenzie on his two expedi-

tions, David Stuart (whom Alexander Ross describes as "a good old soul"), his nephew Robert Stuart (who was himself an uncle of Donald A. Smith, the future Lord Strathcona) and Duncan McDougal. All these were canny Scots, fresh enough from the Scottish Highlands and Hebrides still to speak Gaelic when they wished privacy of conversation. As John Jacob Astor also engaged a crew of French Canadian voyageurs, who came paddling down the Hudson to New York, making the Palisades ring with their chansons, this German-American could surely call this an international venture. Donald Mackenzie went with one party overland, but the other Scots took the sea voyage. After rounding Cape Horn, the *Tonquin* called at the Sandwich Islands where the King

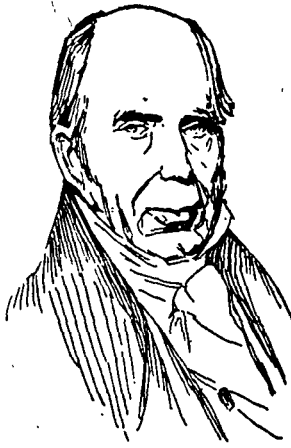
"had on a common beaver hat, a shirt and neck cloth, which had once been white, a long blue coat with velvet collar, a cassimere vest, corduroy trousers, and a pair of strong, military shoes. He also wore a long and not inelegant sword, which he said he had got from his brother, the King of England."

After founding Astoria, the *Tonquin* went next year on a trad-



S.S. Tonquin off the mouth of the Columbia, 1811

From Franchère's Narrative of a Voyage to the North West Coast of America.



John Stuart

ing voyage to Nootka and came to a tragic end.

John Jacob's ship *Beaver*, which followed the *Tonquin* to Astoria with a second party, went on to the Russian ports in the North Pacific, where she collected a cargo of furs and came south again to sell them at Canton. The opposition of the Nor'westers, however, was too strong, and in 1813 Astoria passed into their hands. John Stuart, a brother of Robert, helped to fix the price at which Astoria was bought.

Donald Mackenzie, who supervised the transfer of Astoria to the Nor'westers on behalf of John Jacob and was delegated to carry the news to Montreal, was after a modest fashion a reincarnation of Machiavelli. A letter of his written to Governor Simpson from the Red River settlement at Fort Garry in 1823 indicates his diplomatic temper:

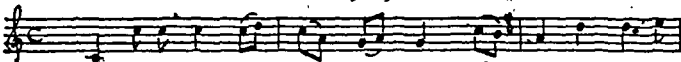
"The Red River settlers are a distinct sort of beings somewhere between the half Indians and overgrown children. At times they need caressing and not infrequently the discipline of the birch, in other words the iron rod of retribution. . . . It behooves us to attempt by stratagem what we cannot compass by force. In the first place, therefore, all former scrapes and barefaced practices should be carefully avoided by every person holding a conspicuous position, and the bottle and the girls so late the bane must with monastic strictness be forborne. Order and religion likewise to be held in veneration: therefore with faces long and minds most pure and delicate shall you and I regularly attend the chapel in the coldest as well as the warmest weather, even should we slip a passage or two and ponder in mind the next resolves of Council at times; with the Priests we will hold discussions from the era of that directing old prototype who ruined us all, down to the passing date, ever mindful of giving no kind of umbrage to their dearly beloved bigotry, else make an account to extenuate our offences by mortifications, fasting and watching; with the Scotch and Irish let us scour up our rusty Erse, and loudly extol.

that prince of heroes old Fingal; with the French and Swiss we will be frenchified, *vive la bagatelle*; with the Canadians we can pass their voyages over again; with the Brulés listen to their feats against the Sioux, and with the Indians you know we shall be Indians again. By accommodating ourselves somewhat like this to the manners and customs of this 'degenerate, heterogeneous mass, we may insensibly gain their confidence and secure a key that unlocks their inmost recesses; thereby reclaiming them to that principle of exertion and simplicity which alone can establish their future welfare."—Dominion Archives, Selkirk Transcripts, XXV, 7951.

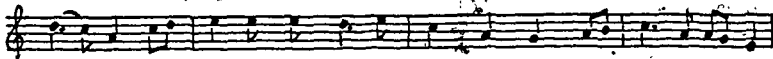
Many a bottle of Madeira was broached at the Beaver Club in Montreal when the news came of how the German-American fur king had been outmanoeuvred, and these Scots who still were most of them Jacobite at heart, sang with a new meaning the old favourite of *The Wee, Wee German Lairdie*:

"Come up among our Highland hills,
Thou wee, wee German lairdie,
And see how the Stuart's-lang kail thrive
They dibbled in our yairdie.

The Wee, Wee, German Lairdie



Come up among our Highland hills, Thou wee, wee German



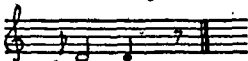
laird - e And see how the Stuart's-lang kail thrive They dibbled in our



yairdie; And if a stock ye dare to pu' Or haud the yoking



o' a plough, We'll break your sceptic o'er your mou'. Thou wee bit German



laird, ie

And if a stock ye dare to pu',
Or hand the yoking o' a plough,
We'll break your sceptre o'er your mou',
Thou wee bit German lairdie."

Captain Black, of the British sloop of war *Raccoon*, who arrived at Astoria to find the British flag already flying, renamed Astoria "Fort George," and so it remained till it reverted by treaty, in 1818, to the United States.

The Northwest Company, however, found that patriotism must sometimes be tempered with business. The first ship to take furs under their regime from the Columbia to Canton was the *Isaac Todd*, a ship that had brought supplies from England, carried pelts to China and then brought a cargo of tea to England "for account of the East India Company." In the following year the *Columbia*, another British schooner, took furs from Fort George (the old Astoria) to Canton, coming back by way of the Sandwich Islands to the Columbia. The fur sales of the Northwest Company at Canton that year amounted to \$101,115.40, and yet someone else must have taken the profit, as we find that in 1816 Montreal made arrangements with a Boston firm, Perkins and Company, to ship their supplies from that port to Fort George, carry furs to Canton and there take on a cargo of tea for Boston, thus evading the monopoly of the East India Company governing British merchant vessels. This use of the American flag continued for a number of years, although after the amalgamation of Hudson's Bay Company with the Northwest Company, British ships were also used. In 1825 East India Company ships brought tea direct to Montreal, following a British Act passed in the preceding year, in the hope of smuggling this merchandise through the United States.

The tea-drinking habit was growing in North America, and the fur traders were in the fashion. Governor Simpson, of the Hudson's Bay Company, indicates this in his pen-picture of Chief Trader John Dease, who, he says,

"is very *sober* and attentive to his business, but his extreme *sobriety*, rarely tasting and never exceeding one glass of wine in

public, when contrasted with certain reports of ancient Date, his appearance in the morning, want of appetite, the Oceans of Tea he swallows, and the deranged state of his Nerves, I must confess looks a little suspicious. . . . Although I have fished for information, I can merely learn that he is a *Great Tea Drinker*. Were he to drink a pint of wine with his Friends on extraordinary occasions, got up earlier in the morning, eat a hearty breakfast and drink less Tea, I should have a better opinion of him."

The outpost on the Columbia River proved quite a problem, owing to the cost of operation and lack of supervision at such a distance from the Montreal headquarters. Governor Simpson, who made a swift trip overland to investigate and reform, found that "large quantities of Luxuries and European provisions are annually consumed at prodigious cost." To mitigate this burden (for the Pacific coast trade employed one thousand men) he instructed Chief Factor John McLoughlin, of Fort Vancouver, which in 1824 became the Nor'westers' Emporium on the Columbia, to develop a farm large enough to feed this multitude. This John McLoughlin was a rough diamond, judging from the description Simpson gives of him when he met him first at Rivière la Biche:

"He was such a figure as I should not like to meet in a dark Night in one of the bye lanes in the neighbourhood of London, dressed in Clothes that had once been fashionable, but now covered with a thousand patches of different colors, his beard would do honor to the chin of a Grizzly Bear, his face and hands evidently showing that he had not lost much time at his *Toilette*, loaded with Arms and his own herculean dimensions forming a tout ensemble that would convey a good idea of the highwaymen of former Days."

With retrenchment and reorganisation, however, Simpson made the Columbia Department once more profitable. His report to London reads:

"The trade of this Coast and its interior country is unquestionably worth contending for, and if the British Government do take that interest in the Welfare of the Fur Trade which it is wonted to do in every other branch of its widely extended Commerce,

the Americans will not talk so vauntingly of their discoveries, and the sweeping and absurd Ukase of the Russian Government (1821) will prove of little avail to the Russian American Company."

Even at this early date (1824-25) Simpson was planning a shorter and more direct overland route between Montreal and the Columbia than was afforded by the Okanagan Trail and the Athabaska Pass. This route was to cross the Rockies by the Kootenay Portage south of the source of the Kootenay River, possibly up the Cross River and into the Bow Valley by White Man's Pass a little east of Banff. This would have the further advantage of an earlier spring, and would enable the traders to cross the Rockies a month earlier than was possible by the northern route.



Simon Fraser

WATERWAYS

THE EFFICIENCY of the transport system organised by the Nor'westers anticipated the modern railway with its ideals of "trains on time." Alexander Ross, who served for a while as a clerk in the Northwest Company, depicts the life of the fur trader in an account so entertaining that it is best repeated in his own words (from *The Fur Hunters of the Far West*):

"The bourgeois is carried on board his canoe upon the back of some sturdy fellow generally appointed for this purpose. He seats himself on a convenient mattress, somewhat low in the center of his canoe, his gun by his side, his little cherubs fondling around him, and his faithful spaniel lying at his feet. No sooner is he at his ease than his pipe is presented by his attendant, and he then begins smoking, while his silken banner undulates over the stern of his painted vessel. Then the bending paddles are plied, and the fragile craft speeds through the currents with a degree of fleetness not to be surpassed, yell upon yell from the hearty crew proclaiming their prowess and skill.

"A hundred miles performed, night arrives; the hands jump out quickly into the water, and their nabob and his companions are supported to terra firma. A roaring fire is kindled and supper is served. His Honor then retires to enjoy his repose. At dawn of day they set out again. The men now and then relax their arms, and light their pipes, but no sooner does the headway of the canoe die away than they renew their labors and their chorus, a particular voice being ever selected to lead the song. The guide conducts the march.

"When it is practicable to make way in the dark, four hours is the voyagers' allowance of rest; and at times, on boisterous lakes and bold shores, they keep for days and nights together on the water, without intermission and without repose. They sing to keep time to their paddles; they sing to keep off drowsiness, caused by their fatigue; and they sing because the bourgeois likes it.

"Through hardships and dangers, wherever he leads, they are sure to follow with alacrity and cheerfulness—over mountains and hills, along valleys and dales, through woods and creeks, across lakes and rivers. They look not to the right nor to the left, they make no halt in foul or fair weather. Such is their skill, that they venture to sail in the midst of waters like oceans, and with amazing aptitude they shoot down the most frightful rapids, and they generally come off safely.

"From every distant department of the Company a special light canoe is fitted out annually to report their transactions. The one from the Columbia sets out from the Pacific Ocean the first of April, and with the regularity and rapidity of a steamboat it reaches Fort William on Lake Superior the first of July, remaining there till the twentieth of that month, when it takes its departure back, and with an equal degree of precision arrives at Fort George at the mouth of the Columbia River on the twentieth of October.

"A light canoe, likewise, leaving the Pacific, reaches Montreal in a hundred days, and one from Montreal to the Pacific in the same space of time, thus performing a journey of many thousand miles without delay, stoppage, or scarcely any repose, in the short period of little more than six months."

The large canoe of the Nor'westers known as *Canot de maître* was built as long as forty feet, with a width of six feet and two feet deep. Sixty men could be carried with fifty barrels of flour. At a portage twelve men were needed to lift the canoe out of the water, and six to carry it on their shoulders. In their heyday the Nor'westers employed one thousand two hundred and eighty men, exclusive of Indians. The Nor'westers' route up to the end of the eighteenth century was by way of the Ottawa-Mattawa-Lake Nipissing and French River to Lake Huron, then through Sault Ste. Marie to Lake Superior and Grand Portage. From Grand Portage, the central headquarters at the western end of Lake Superior were moved in 1802 to the mouth of the Kaministiquia, as the old fort was found to be in American territory and an easier route of portage and river was found at that point. Fort William, as the new fort came to be called in honour of the Nor'wester, William McGillivray, became the annual meeting place of Montreal and the wintering partners. The partners from Montreal, says Dr. Charles Bert Reed in his entertaining *Masters of the Wilderness* (University of Chicago Press):

"considered the whole dignity of the Company as represented in their own persons, and conducted themselves in suitable style. They traversed the rivers in great state, like sovereigns making a progress. They were wrapped in rich furs, their huge canoes freighted with every convenience and luxury and manned by Canadian *voyageurs* as loyal and as obedient as their own ancestral clansmen. They carried with them cooks and bakers, together with delicacies of every kind, and an abundance of choice wines for their banquets. Happy were they if in addition they could meet with some distinguished stranger, above all some titled member of the British aristocracy, to accompany them on this stately occasion and grace their high solemnities. . . . At Fort William in an immense wooden building was the great Council hall, which was appropriately decorated with Indian arms, accoutrements, and other trophies of the fur trade. The Councils were held in great state, for every member felt to the utmost his responsibility, and every retainer and dependent looked up to the assembly with an awe-filled eye, as upon a House of Lords—which in truth it was. There was a vast deal of solemn deliberation and hard Scottish reasoning, with an occasional swell of pompous declamation. The chiefs wassailed in the hall, and made the rafters shake with bursts of loyalty and old Scottish songs, chanted in voices cracked and sharpened by the Northern blasts, while their merriment was echoed and prolonged by a mongrel legion of retainers, *voyageurs*, half-breeds, Indian hunters, and vagabond hangers-on. These feasted sumptuously outside upon crumbs from the rich man's table, accompanied by a full chorus of old French ditties mingled with Indian yelps and howls."



John McLoughlin

We find a description of the fare provided to a guest on a Nor'wester's canoe over the Ottawa-Lake Nipissing route written by Dr. John J. Bigsby in *The Shoe and Canoe*. On this trip David Thompson was a fellow traveller.

"The North-West Company provided *munitons de bouche* on the most liberal scale—port, madeira, shrub, brandy, rum, sausages, eggs, a huge pie of veal and pheasants, cold roast beef, salt beef, ham, tongues, leaves, tea, sugar, and, to crown all, some exquisite

beaver tail;—the men were provided well in a plainer way, and had their glass of rum in cold and rainy weather."

The route westward from Lake Superior now followed by river, lake and portage through Rainy Lake and Lake of the Woods to Fort Gibraltar, on the Red River. Then up Lake Winnipeg to the mouth of the Saskatchewan, which provided a waterway to the west as far as Edmonton and Rocky Mountain House.

Simpson himself, in his *Overland Journey Round the World*, descriptive of a trip made in 1841, describes a day's routine on the westward passage. Sleeping in tents on the ground

"our slumbers would be broken about one in the morning by the cry 'Lèvel lèvel lèvel' In five minutes, woe to the inmates that were slow in dressing, the tents were tumbling about our ears; and within half an hour the camp would be raised, the canoes laden, and the paddles keeping time to some merry old song.

About eight o'clock, a convenient place would be selected for breakfast, about three quarters of an hour being allotted for the multifarious operations of unpacking and repacking the equipage, laying and removing the cloth, boiling and frying, eating and drinking; and while the preliminaries were arranging would wash and shave. . . . About two in the afternoon we usually put ashore for dinner—not allowed to occupy more than twenty minutes or half an hour. Such was the routine of our journey, the day, generally speaking, being divided into six hours of rest and eighteen of "labour."



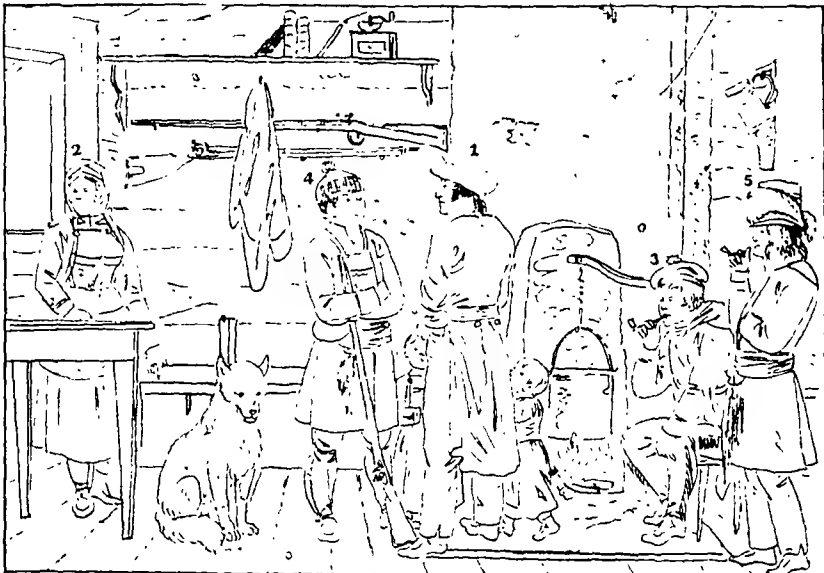
Sir George Simpson
From a sketch by Sir James A.
Grant. Courtesy of McCord
Museum, Montreal.

Up to 1821 Montreal was the eastern terminal and headquarters of the 'Nor'westers' St. Lawrence-Ottawa-Mattawa-Great Lakes route into the interior. The similar port for the Hudson's Bay Company was York Factory, at the mouth of the Hayes River, a little south of where the Nelson River pours into its flood into Hudson Bay. From York Factory the route went upstream and southwest along the Hayes River to Norway House at the northern end of Lake Winnipeg. Those who were bound for the west



From a painting by Charles Sheldon.

Arrival of Selkirk Settlers.



Courtesy of the Public Archives of Canada.

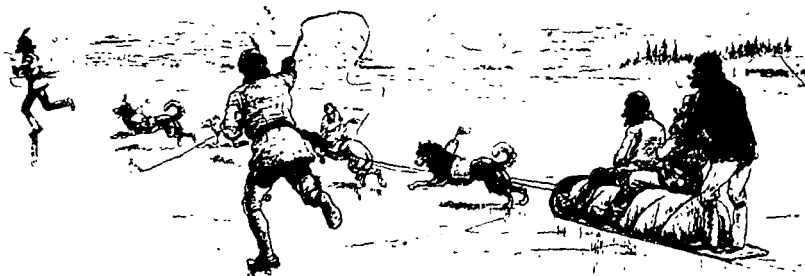
Types of Colonists, Selkirk Settlement.

- 1 and 2. Swiss Colonist with wife and children;
3. German Colonist from disbanded Meuron Regiment;
4. Scottish Highlander;
5. French-Canadian.



Courtesy of Toronto University Library.

Lord Selkirk's Grant of Assiniboia.



From L'Opinion, Publique.

Hudson Bay Mail in Winter.

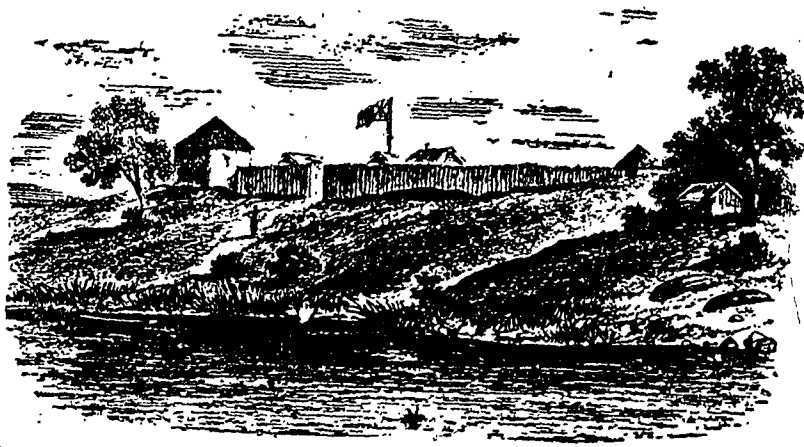
and northwest turned into the mouth of the Saskatchewan River up which those for the west could navigate as far as Rocky Mountain House beyond Edmonton, while those for the northwestern posts left the Saskatchewan at Cumberland House by connecting waterways for the upper reaches of the Churchill River, along which their brigade went to the height of land at Methy Portage or Portage La Loche. There was the meeting place with the brigade from the north, and supplies were exchanged for furs.



Lord Selkirk
From a painting by Raeburn.

From Norway House there was continuous waterway south through Lake Winnipeg to the Red River—the scene of a bloody conflict between the Hudson's Bay Company and the Nor'westers early in the nineteenth century. The trouble arose from the philanthropic scheme of a Scottish nobleman, Thomas Douglas, fifth Earl of Selkirk, of whom Paul Jones claimed to be a half-brother under the bar sinister. Lord Selkirk was a fellow student and friend of Sir Walter Scott, and conceived the romantic idea of relieving the distress of the evicted clansmen of the Highlands and Hebrides by transplanting them to the free life and vacant spaces of British North America. A successful first effort of this nature in Prince Edward Island encouraged him to follow on with a less fortunate venture in Upper Canada. Then the perusal of Sir Alexander Mackenzie's *Voyages* inspired him to plant a settlement on the Red River. His title gave him the *entrée* to the Beaver Club in Montreal, where he heard more about the plains on which the buffalo roamed, providing unlimited source of pemmican for the Indian country. Returning to England, he found that Hudson's Bay Company shares could be picked up cheap, owing to the depression in the fur market due to the Napoleonic wars. He bought himself a dominant interest in that tottering monopoly, and secured for ten shillings the grant of one hundred sixteen thousand square miles, in spite of vigorous opposition from Sir

Alexander Mackenzie himself and the Nor'westers, who themselves bought shares in the rival company, hoping to halt this invasion of their game preserves. They looked on this settlement scheme as an attempt to throw a barrier across their own fur-trading route, for Lord Selkirk's new Assiniboia stretched from Lake Winnipeg to the height of land between the Red River and the Mississippi and to the Lake of the Woods, including their own Fort Gibraltar at the forks of the Red and Assiniboine Rivers. Lord Selkirk shipped out his settlers to the Promised Land. From York Factory they travelled to the Red River in flat-bottomed boats and would have starved had it not been for the buffalo. Miles Macdonell, Selkirk's highhanded factotum, precipitated the strife by seizing six hundred bags of pemmican stored at the Nor'westers' fort on the Souris (near the present Brandon) and in return was arrested by Duncan Cameron, an emissary of the Nor'westers, and sent a prisoner to Montreal. The settlers were driven out, and when they returned from Norway House with new contingents from Scotland, they brought with them a governor-in-chief, Robert Semple, who dismantled Fort Gibraltar and used its palisades for a new Fort Douglas. Cuthbert Grant, a half-breed Nor'wester, retaliated by seizing the Hudson's Bay Company post of Brandon House, fortified Portage La Prairie, and with a force of fellow half-breeds advanced on Fort Douglas. There Governor



Fort Douglas

Semple and twenty of his followers were killed in a skirmish. Lord Selkirk, who was coming by the Great Lakes to the rescue of his settlers with over a hundred Swiss mercenaries from disbanded De Meuron and Watterville regiments, arrested the Northwest partners as they sat in conclave at Fort William, including William McGillivray, the head of the company, and Simon Fraser, the explorer, sending them under escort to Canada for trial while he himself proceeded to his hitherto unseen Paradise on the Red River. Incidentally, he sent expeditions to capture the Northwest Company's posts on Lake Superior and Rainy Lake. Arriving at his settlement, he allotted sites for a church and a school, and made a treaty with the Indians for a strip of two miles on each side of the Red River. His return to Canada brought him before judges who fined him two thousand pounds. Before shaking the dust of this ungrateful country off his feet, our romantic nobleman shipped out to his settlement a further batch of Swiss musicians, pastry cooks and clock makers, and then went off to the south of France.

A committee of the British House of Commons was appointed to investigate the matter, and as both Lord Selkirk and Sir Alexander Mackenzie, opposing leaders of the two companies, were removed from the scene by death, an amalgamation was arranged in 1821 under the title of the Hudson's Bay Company, George Simpson being appointed governor-in-chief of Rupert's Land.

In his *Reminiscences of a Canadian Pioneer*, Samuel Thompson who himself travelled in a steamer from Quebec to Montreal (this was in 1833) and in a batteau up the St. Lawrence from Lachine, describes the departure of "the then despot of the Northwest," George Simpson, for the seat of his government via the Ottawa River:

"With him were some half dozen officers, civil and military, and the party was escorted by six or eight Northwest canoes—each thirty or forty feet long, manned by some twenty-four Indians, in the full glory of war-paint, feathers, and most dazzling costumes. To see these stately boats, with their no less stately crews, gliding with measured stroke, in gallant procession, on their way to the vasty wilderness of the Hudson's Bay territory, with the British flag displayed at each prow, was a sight never to be forgotten."

The York boats were introduced by Governor Simpson as less subject to wear and tear, better suited to the northern waters and having greater cargo capacity than the Indian canoe. They tapered at each end but were not flat-bottomed like the batteau. It was safer to sail a boat of this kind through stormy Lake Winnipeg, and the brigade of eight boats might carry as much as forty-eight tons of fur or merchandise, with only five minutes' delay at each portage to load or unload each boat. The steersman who sat on a raised platform in the stern of the boat directed the eight tripmen, who plied the oars and carried the bales over the portages, usually half-breeds or Indians, the whole brigade being under the command of a responsible guide. Packages were made up in standard bales of one hundred pounds each, the usual cargo of the York boat being seventy-five bales.

In winter travel was done by runners on snowshoes with sleds drawn by huskies, the half-wolf dogs of the Eskimos. The mail packet from the Red River met the York Factory packet at Norway House, at the north end of Lake Winnipeg, where they exchanged packages and returned home. The western mail left Norway House to meet the mail from the north at Carlton House, on the Saskatchewan River, and after exchanging packages returned to Fort Garry through the Swan River district.

The Red River settlement began to prosper with a population which drew yearly increase from traders retiring from Hudson's Bay Company service. In 1845 it was described by R. M. Bal-lantyne, well-known writer of boys' books, who was at that time a clerk in the Hudson's Bay Company:

"In the very centre of the great continent of North America, far removed from the abodes of civilized men, and about twenty miles to the south of Lake Winnipeg, exists a colony composed of Indians, Scotsmen and French Canadians, which is known by the name of Red River Settlement. Red River differs from most colonies in more respects than one—the chief difference being that whereas other colonies cluster on the seacoast this one lies many hundreds of miles in the interior of the country, and is surrounded by a wilderness; and while other colonies, acting on the golden rule, export their produce in return for goods imported, this of Red River imports a large quantity and exports nothing,



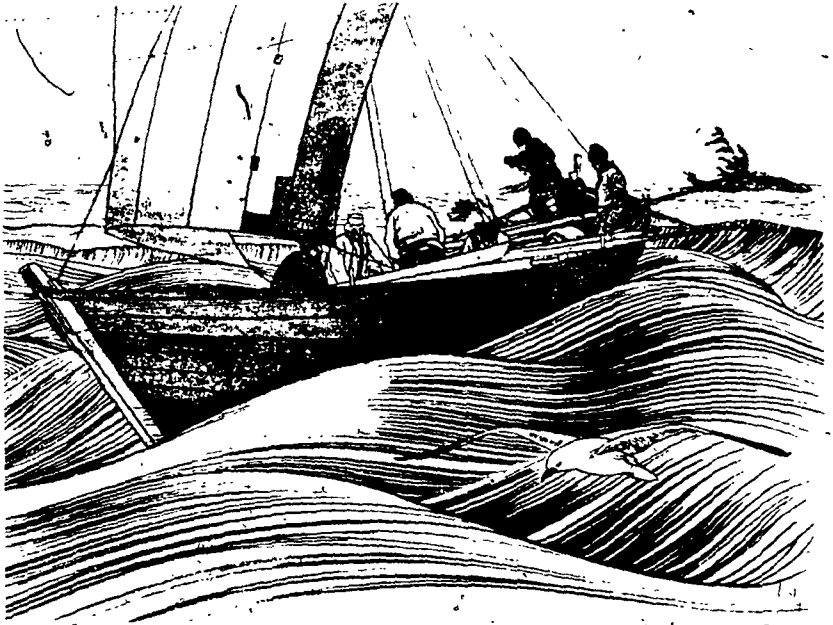
From the painting by Cyrus Cuneo.

Governor Simpson on an Inspection Trip of Hudson's Bay Company's Fort.



From the engraving by W. H. Bartlett.

Working a Canoe at a Rapid.



From a woodcut by W. J. Phillips, R.C.A.
York Boat.



From the engraving by W. H. Bartlett
Rafts and Durham Boat on the St. Lawrence.

or next to nothing. Not but that it might export if it only had an outlet or a market. But being eight hundred miles removed from the sea, and five hundred miles from the nearest market, with a series of rivers, lakes, rapids and cataracts separating from the one, and a wide sweep of treeless prairie dividing from the other, the settlers have long since come to the conclusion that they were born to consume their own produce, and so regulate the extent of their farming operations by the strength of their appetites. Of course, there are many of the necessities, or at least the luxuries, of life which the colonists cannot grow, such as tea, coffee, sugar, coats, trousers and shirts, and which, consequently, they procure from England by means of the Hudson's Bay Fur Company's ships, which sail once a year from Gravesend laden with supplies for the trade carried on with the Indians. And the bales containing these articles are conveyed in boats up the rivers, carried past the waterfalls and rapids overland on the shoulders of stalwart voyageurs, and finally landed at Red River, after a rough trip of many weeks' duration." (Permission of Wm. Blackwood and Sons, Ltd.)

On the broader eastern waterways, such as the St. Lawrence and Ottawa River, the canoe yielded place to the batteau or *bateau*, a flat-bottomed boat thirty to seventy feet long, tapering to a sharp point from a centre five to twelve feet wide, with perpendicular sides four to five feet high. The crew used oars or poles, but the batteau also carried a lug sail raised high enough to leave a clear view for the steersman. Passengers would carry their own tents to camp at night on the shore in case they could find no hospitable farmer. It was on a batteau that Tom Moore, the Irish poet, came down the river from Kingston to Montreal in 1806, and was inspired to write his "Canadian Boat Song" through hearing the French Canadian boatmen sing their chanson:

"Faintly as tolls the evening chime
Our voices keep tune and our oars keep time.
Soon as the woods on shore look dim,
We'll sing at St. Ann's our parting hymn.
Row, brothers, row, the stream runs fast,
The Rapids are near and the daylight's past.

"Why should we yet our sail unfurl?
There is not a breath the blue wave to curl;
But, when the wind blows off the shore,

Oh! sweetly we'll rest our weary oar.
 Blow, breezes, blow, the stream runs fast,
 The Rapids are near and the daylight's past."

Batteaux often travelled upstream in brigades of five to twelve, so that there should be no lack of hands for towing boats up rapids or portaging over skidways. Freight charges were heavy, the unit being the cost of carrying a cask of rum from Lachine to Kingston, namely about fifteen shillings or three dollars. With the nineteenth century came in the more capacious Durham boat from the United States, also flat-bottomed but with keel and centreboard, a round bow and a square stern, ranging in length up to about ninety feet.

In 1832 no less than eight hundred Durham boats and fifteen hundred batteaux were plying on this stretch of the St. Lawrence. Sir Richard Bonnycastle, who published an account of *Canada and the Canadians* in 1846, says:

"Your *compagnons de voyage* on board a batteau or Durham boat, which is a *monstre* batteau, are French Canadian voyageurs, always drunk and always gay, who pole you along up the rapids, or rush down them with what will be will be. These happy people have a knack of examining your goods and chattels which they are conveying, in the most admirable manner; but still they are above stealing—they only tap the rum cask or the whisky barrel, and appropriate any cordage wherewith you bound your chests and packages."

On his celebrated overland journey round the world, made in 1841-42, Sir George Simpson describes a two-day voyage he spent on a batteau between Fort Vancouver on the Columbia River (then within the Hudson's Bay Company territory):

"Our batteau carried as curious a muster of races and languages as perhaps had ever been congregated within the same compass in any part of the world. Our crew of ten men contained Iroquois, who spoke their own tongue; a Cree half-breed, of French origin, who appeared to have borrowed his dialect from both his parents; a North Briton, who understood only the Gaelic of his native hills; Canadians, who, of course, knew French; and Sandwich Islanders, who jabbered a medley of Chinook, English, and their own vernacular jargon. Add to all this that the passengers were

COLOURED



Reproduced by courtesy of the Dominion Archives, Ottawa.

CANOT DE MAÎTRE

As used on the Trip of Viscount Monck (and Lady Monck), Governor-General of Canada, 1861-1868

Original by Mrs. Edward Hopkins

PRINTED IN CANADA



native, of England, Scotland, Russia, Canada and the Hudson's Bay Company's territories; and you have the prettiest congress of nations, the nicest confusion of tongues, that has ever taken place since the days of the Tower of Babel. At the native camp, near which we halted for the night, we enriched our many clans with one variety more by hiring a canoe, and its complement of Chinook, to accompany us."



QUEBEC IN 1730.

CANADA IN THE FORTIES

UNDER Governor Simpson's régime the Canadian headquarters of the Hudson's Bay Company were established nine miles west of Montreal, above the rapids of Lachine—a seigneury nicknamed in ridicule of La Salle's vision of a route to China. There the skins of beaver, muskrat, fox, marten, otter and mink, for which the traders of the Southern Department had exchanged blankets, guns, geegaws and food, were sorted by prentice clerks under the direction of more experienced employees. To such an evil-smelling job came in early July, 1838, a fair-haired, slim, eighteen-year-old Scot from Forres in Elginshire, bearing an introduction to Governor George Simpson, "the Scottish Emperor of the Fur Trade," from his uncle John Stuart, late Chief Factor of the Hudson's Bay Company in New Caledonia on the Pacific slope. This lad was Donald A. Smith, one day to be given recognition as Lord Strathcona for his services in the building up of the Dominion of Canada, among which the promotion of the Canadian Pacific Railway was one of his contributions.

John Stuart had told many a romantic tale of the fur trader's life, and it is no wonder that his nephew nursed the ambition to follow in his footsteps and perhaps rise to be a chief factor himself. John Stuart, who had retired to London, where he was known, from the description in Washington Irving's *Astoria*, as "the Chesterfield of the Wilderness," with occasional visits to the royal burgh of Forres, in Elginshire, where Donald Smith was growing up, had retained the imposing presence of one who had been virtual king over a vast territory, and had been admitted to the exclusive Beaver Club in Montreal. No one could more fittingly represent the "lords of the lakes and forests." The chief factor in the Hudson's Bay Company at this time was a dignitary who

"was lord paramount; his word was law; he was necessarily surrounded by a halo of dignity, and his person was sacred, so to speak. He was dressed every day in a suit of black or dark blue, white shirt, collars to his ears, frock coat, velvet stock and straps to the bottom of his trousers. When he went out of doors he wore a black beaver hat worth forty shillings. When travelling in a canoe or boat—he wore a long cloak made of Royal Stuart tartan lined with scarlet or dark blue bath coating. The cloak had a soft Genoa velvet collar, which was fastened across by mosaic gold clasps and chains. . . . Proud indeed was the Indian fortunate enough to be presented with the Chief Factor's castoff hat, however battered it might become. He donned it on all important occasions, and in very fine weather it might constitute his entire costume."

On Sundays and holidays, Donald Smith and other prentices would paddle in light canoes upstream along the elm-shaded shores of Lake St. Louis and turn from the clear green current of the St. Lawrence into the brown stream of the Ottawa River, where below the rapids at Ste. Anne they would land to visit the Hudson's Bay Company post and the church, where the westbound voyageurs used to deposit their votive gifts. The sun would be setting as they reembarked, painting the western sky with flaming glory, and stirring in strange enchantment all those who saw its scarlet reflections in the Lake of Two Mountains. Other posts farther up the Ottawa River were visited on business trips.

These were strenuous times. Immigration in the year 1838 had dropped down to its lowest ebb, and only the most courageous took the chance of leaving the old land for a country which was reported to be wracked with civil war. Moreover, the fur trade was less prosperous, for in 1832 the silk hat had replaced beaver in the world of fashion, and the long haul from the far interior took so much of the gilt off such profits as were earned by export to London. On his way up from Quebec to Montreal, Donald Smith had passed the *Canada* with Wolfred Nelson and other rebels on board, being deported to Bermuda. The fires lit by Papineau's revolt had been smothered, yet still were smouldering, and ninety-nine of the rebel French were lying in a Montreal gaol condemned to death. Donald Smith read in the *Montreal Herald*

STEEL OF EMPIRE

the demand which must have been written by a Scottish editor, "Why winter them over, why fatten them for the gibbet?" Twelve of the prisoners actually were executed a few months later, and the prentices at Lachine were armed against threatened attacks on the post. Governor Simpson, who kept royal house at Dorval Island, near Lachine, entertained High Commissioner Lord Durham with pageantry of voyageurs, Indians and canoes. The introductions given to young Donald by his Uncle John Stuart resulted in occasional visits to Montreal, then a political whirlpool.



First steam-driven railway train in Canada, July 21, 1835
From Laprairie to St. John on the Champlain and St. Lawrence Railway.
From *L'Opinion Publique*.

It was while he was at Lachine that the two Canadas, Upper and Lower, were united under one Parliament.

On one of his visits to Montreal, young Donald met Peter Warren Dease, just back from an overland trip of exploration to the Arctic coast beyond which the long-sought-for Northwest Passage was supposed to lie. Dease had served as chief factor for the Hudson's Bay Company in New Caledonia, and could talk to young Donald about the far west as well as the far north, and, above all, about the very country with which his uncle John Stuart had been so closely identified. Another whom he met was Peter McGill, a large-bodied man of great mental energy, said to have been "the most popular Scotchman that has ever lived in Montreal," President of the Bank of Montreal and Chairman of the only existing railway in Canada, the two-year-old, sixteen-mile St. Lawrence and Champlain Railway, whose rickety track had recently been promoted from horses to a wood-burning locomotive. The track itself was built with the so-called "snake-rails," consisting of flat bars of iron spiked on wood. These were inclined to bend under the weight of the train, hence the nickname. The engineer who brought the locomotive from England seems to have been afraid that some one would steal his idea, and had it boxed in transit to prevent inspection by the curious. It was a playful little locomotive and came to be known as the "Kitten," on account of its so often declining to go where it was told. An expert was called in from the United States, who prescribed a more liberal diet of wood and water, after which the "Kitten" became a staidier locomotive. Yet there was never any danger on this pioneer Canadian railway of catching the disease which was said by a contemporary writer to affect business men travelling from Manchester to London, whose brains became so addled by the speed of the train that they had to write home to find out why they had ever started.

Canada's need of railways even at this early stage was declared by Lord Durham, in his celebrated report:

"The completion of any satisfactory communication between Halifax and Quebec would, in fact, produce relations between these Provinces that would render a general union absolutely



Stagecoach at Fort York (Toronto)—1840

Courtesy of John Ross Robertson Collection, Toronto.

necessary. Several surveys have proved that a railway would be perfectly practicable the whole way. Indeed, in North America the expense and difficulty of making a railway bears by no means the excessive proportion to those of a common road that it does in Europe. . . . The formation of a railroad from Halifax to Quebec would entirely avoid some of the leading characteristics of the Canadas. Instead of being shut off from all direct intercourse with England during half of the year, they would possess a far more certain and speedy communication throughout the winter than they now possess in summer. The passage from Ireland to Quebec would be a matter of ten or twelve days, and Halifax would be the great port by which a large portion of the trade and all the conveyance of passengers to the whole of British North America would be carried on."

Three years previous to this date the St. Andrews and Quebec Railroad Company had been incorporated to provide railway facilities between Quebec and the all-year-round open port of St. Andrews, New Brunswick, and surveys were made by Captain Yule, of the Royal Engineers, in the following year, but owing to American claims that this would pass through the state of Maine, the project that anticipated the present Short Line of the Canadian Pacific to Saint John was held up and definitely abandoned when the Ashburton Treaty of 1842 introduced a wedge of intervening American territory.

Railroad construction in the United States had nearly doubled

every year since the first thirty-two miles were built in 1830, and by 1840 there were 2,818 miles in operation. The boom in canal building was rivalled by this new avenue of speculation. When the Cumberland Valley Railroad was opened, according to the *Carlisle Republican*,

"dogs dropped their tails between their legs and ran like frightened fiends, howling and trembling, to the far off mountains. Men there were who cleared ditches and fences at a single bound as the hissing engines approached, others rolled on the ground and cracked their heels together to express in a new way a new delight. . . . Blooming maidens capered and danced and looked with more delight on the grim and besooted countenance of the steam demon than ever they did on clean-washed lovers dressed in Sunday clothes."

In Canada the building of railways enjoyed a slower and less hectic growth. For one thing the climate was a handicap. Lord Durham had never lived through a Canadian winter, otherwise he might have realised that conditions in the United States were not strictly paralleled in the more northern country. The multiplicity of rivers necessitated more bridge-building on a Canadian than on an American railway, and the penetrating winter frosts played havoc with roadbeds. The population in British North America was small and scattered, located for the most part along



Fort York (Toronto) in 1841
From a sketch by J. Gillespie.

the banks of waterways providing economical transit. Foreign commerce was limited by the navigation laws, and there were few industries apart from lumbering and shipbuilding. Moreover, the demand was for a government-owned, government-operated railway, and before that spoon fed ideal could be realised, the project had to be financed, thousands of patriotic speeches must be delivered, delegations had to be sent to England, the claims of rival communities to be located on the route reconciled with military requirements, positions had to be found for the poor relations of the influential, the provinces themselves had to be united in one political Confederation, so that thirty-seven years passed before Lord Durham's prophecy of a railway connecting Halifax with Quebec took definite shape in the costly reality of the Intercolonial Railway.

While Donald Smith was at Lachine, the tide of immigration set in again, and thousands of new settlers who had crossed the Atlantic reembarked above the rapids for Upper Canada. Twelve thousand came from the British Isles to the Canadas in 1839, and thirty-two thousand in 1840.

Charles Dickens who visited Montreal in 1842 wrote of this immigration that he found it

"an entertaining lounge to take a morning stroll upon the quays of Montreal, and see the groups in hundreds on the public wharfs about their chests and boxes."

This was a time of social as well as political transition. Hitherto the Canadian was by force of circumstance almost amphibious, depending so much as he did on waterways for his traffic and travel. Such roads as existed were quagmires in wet weather, and not till winter carpeted the hardened earth with snow, and froze the lakes and rivers, was there much of travel on foot or in horse-drawn vehicles. The immigrant bound for Upper Canada did not end his voyage at Quebec, even though that harbour was nine hundred miles inland. He transhipped into a smaller sailing vessel for Montreal and then travelled from Lachine in batteau, or Durham boat, to river mouth. The land he had to clear for his farm would be by preference alongside river or lake, but it was

the necessity of going further afield that gave a new impetus to road building.

The settlers in Upper Canada needed roads on which to get their grain to the grist mills or produce to market, supplementing the military highways. Such roads as existed were short and scrappy. There was nothing in Canada corresponding to the eight hundred and thirty-four mile Cumberland Road along which had poured a steady stream of Conestoga wagons with emigrants and their stock for the Middle West. Stagecoaches plied on the Canadian highways, although the condition of these was not always conducive to comfort. Catherine Parr Traill, who travelled in 1832 from Montreal to Peterborough (then a small town of seven hundred inhabitants), partly by road and partly by steamer, says

"I found the rough roads very unpleasant. As to the vehicle, a Canadian stage, it deserves a much higher character than travellers have had the candour to give it, and it is so well adapted for the roads over which it passes, that I doubt if it could be changed for a more suitable one. This vehicle is calculated to hold nine persons, three back, front and middle; the middle seat, which swings on broad straps of leather, is by far the easiest, only you are liable to be disturbed when any of the passengers choose to get out."

On the following day

"I was dreadfully fatigued with this day's travelling, being literally bruised black and blue."

The fourth day's journey was in a light wagon, comfortably lined with buffalo robes, on a post road to Rice Lake. The taverns at which the travellers had to put up each night were crowded and crude. Her sister, Susanna Moodie, who had come to Canada the same year and settled in the same neighbourhood, gives a thumbnail of backwoods' life in *The Canadian Hunter's Song*,

"The Northern Lights are flashing
O'er the rapids' restless flow;
But o'er the wild waves dashing
Swift darts the light canoe."



John Galt, coloniser, novelist,
poet

From the portrait by Irvine in
the Château de Ramezay.

The merry hunters come,—
'What cheer? What cheer?
We've slain the deer!'
'Hurrah! You're welcome home!'

Life in the backwoods had its compensations. Here is part of a letter written in 1830 by a labourer in the Talbot settlement:

"Here you have no rent to pay; no poor rates and scarcely any taxes. No gamekeepers or Lords over you. Here you can go and shoot wild deer, turkeys, pheasants, quails, pigeons and other sort of game, and catch plenty of fish without molestation whatever."

Where rapids interfered with navigation, canals were built. One of the earliest canals was dug by the Northwest Company at Sault Ste. Marie in 1797, to enable their fur boats to avoid the rapids of the St. Mary River. This was destroyed by the Americans in the War of 1812. The value of a canal system on the St. Lawrence route to the Great Lakes was realised by the British as soon as the country had been taken over from France, and the construction of canals was accelerated by the Declaration of Independence of the American Colonies, which made the St. Lawrence River vitally important for frontier defence.

The military necessity of keeping this waterway navigable was emphasised by the War with the United States in 1812, so that the British Government contributed liberally with cash, as well as engineering skill, towards the construction of these canals.

The Great Lakes of the St. Lawrence Basin are too much like inland seas to allow the Canadian to forget the ocean over which he or his forebears came to North America. Lake Ontario, the smallest, is nearly as large as Wales, and Scotland could be dropped into Lake Superior.

The variety of watercraft used before sail gave place to steam illustrates this phase of early Canadian life. Beginning with the dugout, one finds canoes of many shapes, sizes and materials,



From a painting by A. Sheriff Scott.—
Courtesy of Hudson's Bay Company.

S. S. Beaver, First Steamer on the Pacific, off Fort Victoria—1846.



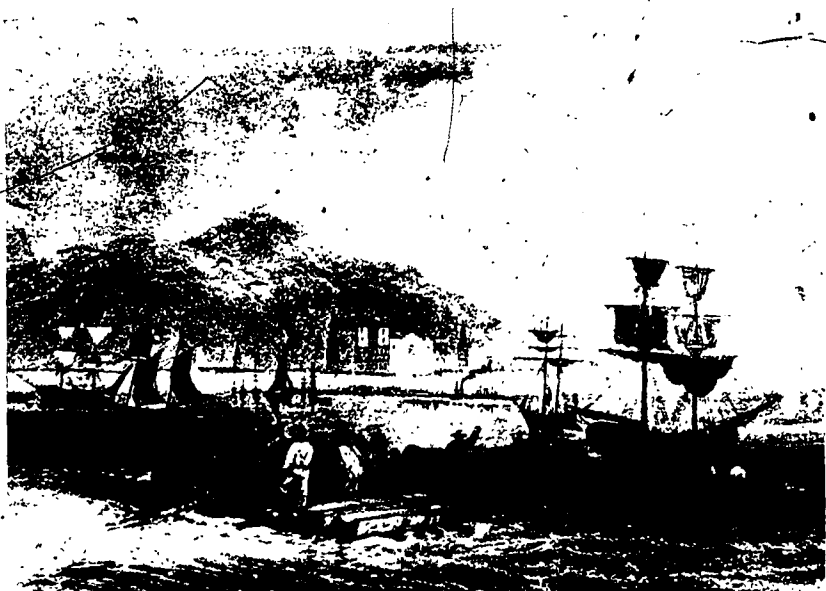
Old Time Indian Canoes at Sault Ste. Marie.

Used in a Hiawatha Pageant.



From the engraving by W. H. Bartlett.

Citadel of Quebec in 1840.



From the engraving by W. H. Bartlett.

Montreal in 1840.

followed by small rowing boats, flat-bottomed or keeled. Larger than these were the scow, the batteau, the Durham boat and the Schenectady which came in with the Loyalist immigration from the United States. Lumbering created the raft and the ark, broken up for timber on arrival at Montreal or Three Rivers. The early French brought in the *galiole* or brigantine, and the barque for traffic in fur between Montreal and Quebec. On the Great Lakes plied brig, brigantine, barque and schooner up to the five master, sloop and frigate. In 1814 was launched on Lake Ontario a man o' war, the *St. Lawrence*, one hundred and ninety feet long, carrying one hundred and two guns. Kingston, which had the chief Navy Yard, was the largest town in Upper Canada till 1830. As late as the year 1863 there were 1,377 sailing ships plying on the Great Lakes.

Halifax, Saint John and Quebec came to be among the great wooden-ship building yards of the world, and "blue-nose," or Nova Scotia skippers, were to be found on the seven seas. The earliest ship to ply regularly between Scotland and Quebec, making two or three round trips each summer was the brig *Jean*, of one hundred and sixty-nine tons; Alexander Allan, master; making her first trip in June, 1819, the pioneer ship of a line which eventually was absorbed into the Canadian Pacific's Atlantic fleet. Two packets for the Allan Line were launched in Canada while Donald Smith was at Lachine, the *Gipsy*, of five hundred and ninety-eight tons, and the *Favourite*, of two hundred and ninety-six tons. Captain Frederick William Wallace, author of *Wooden Ships and Iron Men*, estimates that as late as the early fifties (1852-54) there were fifty thousand men engaged in fishing, fifteen thousand men in shipbuilding, and five thousand merchant seamen in British North America, in all seventy thousand men in marine and allied occupations. Add to those the army of voyageurs, canoemen and men working on the York boats on the thousands of miles of river and lake highways, with a hundred thousand Indians living half their lives in canoes, and we can realise how large a proportion of the population must have been waterminded.

At the time, however, when Donald Smith arrived at Lachine, Canadians were becoming more land-conscious. Immigrants were



Governor Douglas
Portrait by Savannah.

leaving the Old Land by the thousand with the prospect of getting cheap land in the new.

During the period when Canada was New France, the fascination of the fur trade and the ease with which a livelihood might be obtained from fishing interfered with any widespread cultivation of the land. Colbert was so dissatisfied with this situation that the Charter of the Company of New France was cancelled and a new Sovereign Council was elected in 1663 to mend matters. Even as late as the year 1710, only forty thousand acres were under cultivation, mostly on the north shore of

the St. Lawrence, and only two thousand one hundred families were classified as rural. It was not till after 1720 when New France was cut off from Old France by British supremacy on the seas that the French settlers became land hungry. In 1760 of the sixty-five thousand French population, fifty thousand were living on farms. Under the British régime the French Canadians made up for lack of immigration by producing large families, making room for the new generations by clearing land, so that by 1840 the population of Lower Canada had reached six hundred and ninety-one thousand, largely rural, and two-thirds French speaking.

Under the British régime, the fur trade was not forgotten, but colonization was a major policy. Soldiers from the Highland regiments that had fought in the war were settled in Cape Breton, Nova Scotia and at Murray Bay, in Quebec. The revolt of the American colonists resulted in a heavy influx of United Empire Loyalists into Nova Scotia, Prince Edward Island, New Brunswick and Upper Canada (the present Ontario). The British Government bore the cost of transporting forty thousand of these Loyalists to the new land, providing them with land and rations enabling them to tide over the early stages of their settlement. Immigrants from Scotland in particular were shipped by the thousand, and

the unrest and unemployment following the Napoleonic wars added to the volume. In Nova Scotia most of the readily cultivatable land was occupied by 1828. The population of Prince Edward Island had risen from 4,372 in 1798 to 47,034 in 1841, most of the increase coming from Scotland in the preceding twenty years. Ten thousand United Empire Loyalists came to New Brunswick in a single year, 1783, and the population of this province was considerably augmented by Irish in the years following the potato famine. The colonisation of Upper Canada is landmarked by various settlements. The United Empire Loyalist settlement, for instance, brought 10,000 immigrants, mostly into country west of the Ottawa River. General Haldimand's settlements, on the Niagara Peninsula and along the north shore of Lake Ontario, numbered 4,352 persons, including disbanded soldiers from various regiments. The Glengarry settlement had as nucleus soldiers from the King's Royal Regiment of New York, who were joined by succeeding waves of fellow Scots direct from the old country. Many families of Mennonites settled on the Grand River in the early years of the nineteenth century. The Talbot settlement resulted in an added rural population of 40,000 immigrants from the Scottish Highlands, the south of England and the United States between 1803 and 1831. The Canada Company organised by the novelist, John Galt, brought about a highly successful settlement of over 2,000,000 acres between Lake Erie and Lake Huron. Military settlements were established along the Rideau Canal, the Lanark settlement accounted for over 3,000 new Canadians in the years 1820 and 1821. Sixty-eight thousand pounds was paid out by the British Government to assist the emigration of 5,000 Irish who were brought out by Peter Robinson, and settled around Peterboro between 1823 and 1825. Hence it was that the population of Upper Canada rose from 30,000 in 1790 to 100,000 in 1816, and 456,000 in 1841—most of the settlement being on land which the colonists themselves had cleared.

Among the immigrants who came to Canada in 1820 were three young Scots, each of whom played notable parts in the history of British North America. One was William Lyon Mackenzie, born in 1795, at Dundee, who established a newspaper, the

Colonial Advocate, four years after his arrival, in which he urged the Confederation of the North American Colonies, supporting the connection with Great Britain and opposing the movement which sought annexation to the United States. An ardent reformer, his fight for responsible government culminated in his alliance with Papineau and declaration of independence, proclaiming a provisional government for Upper Canada and organising the Rebellion of 1837. Another of these Scots was John A. Macdonald, born at Glasgow in 1815, who had begun to practise law at Kingston, while Donald A. Smith was serving his apprenticeship at Lachine. A firm believer in the British connection, he was to develop the National Policy, establish Confederation, and link the Atlantic Provinces with the Pacific by sponsoring the idea and construction of the Canadian Pacific Railway. The third of these Scottish immigrants of 1820 was a tall, seventeen-year-old lad from Lanark, named James Douglas, of whom we shall hear later in connection with the development of Vancouver Island and the Fraser River. He was a descendant of the famous Black Douglas, a nickname which he himself earned on account of his swarthy complexion. Proceeding to Fort William, he was taken on by John McLoughlin, and after the merger of the Northwesters with the Hudson's Bay Company, in 1821, went with McLoughlin to New Caledonia, west of the Rockies, where he rose in the service till he joined McLoughlin as his assistant at Fort Vancouver in 1830, becoming Chief Trader two years later.

News of what the Hudson's Bay Company was doing in the Western Department which held monopoly of the trade west of the Rockies would naturally be talked of at Lachine, for Governor Simpson was more than ever Pacific-conscious. In 1835, the *Beaver*, a side-wheeler built for the company, and the first steamer to ply the Pacific, left her British shipyard under temporary escort of a fleet of warships and rounded Cape Horn to take up service out of Fort Vancouver. There the Chief Factor, John McLoughlin, ruled as a czar, and had developed a farm of three thousand acres, producing fruit as well as grain and vegetables. Fort Simpson, Fort McLoughlin, Fort Nisqually and Fort Essington were built between 1832 and 1835 to command the coast trade between



From the painting by Ernest Fosbery.—Reproduced by
courtesy of the artist and the Right Hon. R. B. Bennett.

Sir John A. Macdonald, G.C.B.
(1815-1891)

Puget Sound and Alaska, and in 1838 a dispute with Russia was settled under which most of Alaska was rented to the Hudson's Bay Company. It is significant that the post built in this year at Taku Inlet was named after Lord Durham, the High Commissioner whom Governor Simpson had entertained at Lachine the previous year.

Remembering what his uncle, John Stuart, had told him of the territory west of the Rockies, where he had developed a route from Stuart Lake, in New Caledonia, to Fort Vancouver on the Columbia River, Donald Smith was eager to be sent out to this western territory. But the needs of the company ruled otherwise, and Donald was sent east to Tadousac to disappear from our picture for twenty years in the company's service between Tadousac and Labrador.



Insignia of the Hudson's Bay Company

OPENING OF CHINA AND JAPAN

MANY things happened in the first decade of this century to draw the eyes of Great Britain to Cathay and the Pacific. The futile mission of Earl Macartney to Peking was followed by the still more futile embassy of Lord Amherst in 1816. Protests against the trade monopoly of the East India Company resulted in the cancellation of that exclusive privilege in 1834, but the appointment of Lord Napier as Chief Superintendent of trade in China only accentuated the friction between the mandarins and the British merchants.

In all trade there must be exchange, and the East India Company led the way in the exchange of opium for China teas, silks and porcelains to such a point that the Imperial Court became perturbed at the deterioration in health and moral fibre of the Chinese people. There was considerable sympathy in England with this attitude, for the missionaries kept sending home distressing reports and there were notable victims of the opium habit in London itself, for instance Thomas de Quincey, whose "Confessions of an Opium Eater," stirred the hearts of readers of the *London Magazine*. Samuel Taylor Coleridge, drugged with opium, fell into a dream after reading "The Travels of Marco Polo the Venetian" and wrote his vision of Kublai Khan:

"In Xanadu did Kubla Khan
A stately pleasure dome decree;
Where Alph the sacred river ran
Through caverns measureless to man
Down to a sunless sea."

Over half the British imports into China in the years 1831-32 consisted of opium. Not that the British had a monopoly, for the Bostonians shipped many cargoes of the drug from Smyrna.

In the year 1839 Emperor Tao-Kwang appointed Lin Tse-hsu as special commissioner to suppress the traffic, with the result that 20,283 chests of opium were handed over by Captain Elliott, Lord Napier's successor, to be destroyed. Further demands led to war which ended in the Treaty of Nanking, the cession of Hong Kong to Great Britain, substantial indemnities and the opening of Amoy, Fu-chow, Ningpo and Shanghai to foreign trade.

Amoy was celebrated among the Chinese as the birthplace of sea captains, and is the port of the inland city of Changchow, the Tin-gui-gui of Marco Polo, "large and handsome, and produces much raw silk." Fu-chow is thirty miles up the River Min which flows into the Formosan Channel, and is notable for an old stone bridge called "the bridge of ten thousand years." Ningpo is the Gan-pu of Marco Polo's narrative, "where," he says, "there is an extremely fine port, frequented by all the ships that bring merchandise from India." Shanghai was of little significance in Chinese history previous to this period, but its possibilities as a port were realised by the British, under whose leadership it soon became the centre of a vast commerce.

Most important of all to the British Empire was the new little Colony of Hong Kong, harboured in its cradle of twelve square miles of island and beckoning across two oceans and a continent to the motherland eleven thousand miles distant in the direction of the sunrise. Some means of swifter communication than could be provided through British North America was realised as never before both by merchants and by military men.

President Monroe's purchase of Louisiana, the territory west of the Mississippi which had secretly been ceded by Spain to France, gave the United States an extensive coast line on the Pacific Ocean. Astoria, the emporium from which the Americans hoped to dominate the fur trade of that ocean was, as we have seen, put out of business by the Canadian Nor'westers. In the South Pacific Java was occupied by the British from 1811 to 1818, when it was restored to the Dutch. The British possessions in Sumatra were ceded to the Dutch in 1825 in exchange for Malacca. The Hawaiian Islands were once more brought to mind by the visit of their King Lihilo with his Queen to London in 1824.



Commodore Perry

The event became all the more memorable when the royal pair died there of measles. Lilo'hilo's successor, Kamehameha III, made religious history in the Pacific by recognizing the Ten Commandments as the basis of a code of laws. The independence of these islands was recognized by the United States in 1842, and by Great Britain and France two years later.

Settlement was proceeding apace in Australia, and in 1829 the whole of the continent was claimed as British territory. The transportation of convicts to Botany Bay came to an end in 1840 to be replaced by more orthodox and humane methods of colonisation. New Zealand welcomed its first British settlers in 1814, was made a dependency of New South Wales in 1839, the sovereignty being transferred by the Maoris to Great Britain in the following year. The Marquesas Islands were annexed by France in 1842, and in 1843 Tahiti, the island in which Captain Cook had spent three months observing the transit of Venus, came under French protection. An Englishman, Sir James Brooke, became Rajah of Sarawak in Borneo, and effected the cession of Labuan to Great Britain in 1846.

As to the North American coast, the British and American Governments united in opposing a Russian claim to the seaboard as far south as the fifty-first parallel, which no doubt would have been interpreted to take in Vancouver Island, and in 1827 agreed to a renewal of joint occupation between 48° and 54° 40' North Latitude.

The discovery of gold at Sacramento turned all eyes to California, now the lodestar of every available ship. One hundred thousand gold seekers arrived in San Francisco by sea in 1849. Seven hundred and seventy-five of the vessels which carried them came from Atlantic ports, and one hundred and fifty were anchored in the bay at one time—indeed it was difficult to get them out, for the crews deserted on arrival. Within a year of the discovery of gold, nearly the whole of the white population

of Honolulu had migrated to California. One of the ships marooned in the bay was the British vessel *Niantic* which had arrived with a cargo of fruit from Panama and two hundred and forty-eight passengers transhipped across the Isthmus. Deserted by her crew, she was hauled up broadside to the beach where her hull became imbedded in the mud and after a fire had burned her top sides was built over and used as the cellar of the *Niantic* Hotel. Curiously enough the thirty-five caskets of champagne lying in the hull were not discovered till the hotel was torn down for reconstruction.

The fast new clipper ships designed at this date brought the Pacific many days and even weeks nearer to Europe, New York and Boston. Stirring are the tales of how they showed their heels to the stately potbellied East Indiamen. The shipyards of the Quebec and Saint John, New Brunswick, hummed with activity, building their clipper ships for sale in Liverpool for the trade to the newly discovered gold fields in Australia and to China.

Japan, the Zipangu of Marco Polo, was now, after centuries,



American soldiers marching through Yokohama, 1853

From a Japanese drawing.



Japanese drawing of an
Englishman—1853

enticed from its fortress of isolation. The Dutch had secured their footing here early in the seventeenth century, followed a few years later by the East India Company which maintained a factory at Hirade from 1613 to 1623. The Spanish and Portuguese incensed the Japanese by their religious propaganda and were expelled. In 1673 the English endeavoured to reopen trade, sending a ship called the *Return* for the necessary permission. This was refused by the Japanese on the ground that the King of England was married to a Portuguese princess (Catherine of Braganza). The Dutch used their monopoly to make vast profits, but on humiliating conditions such as that the Sabbath should not be observed and that time should not be reckoned by the Christian era. Dutch merchants who died must be buried at sea, not on Japanese soil, and their presence was confined to the tiny island of Deshima, off Nagasaki. There they were really nothing but prisoners allowed ticket of leave only once in four years. The envoys who came with the Dutch Resident to request such leave of absence suffered untold indignities in doing obeisance to the Shogun. Kaempfer, one of these, describes the antics they had to perform to amuse the Court; such as

"to dance, jump, represent a drunken man, speak broken Japanese, read Dutch, sing, put on our cloaks and throw them off again, etc., for my part singing a German love ditty."

In return the Japanese permitted the Dutch East India Company to send one or two ships a year from Batavia and load cargoes of copper, silk, gold, camphor, porcelain and bronze. But this could not last forever, and the Americans were the first to unlock the gates. Commodore Biddle was sent first in 1852 to secure the release of some American sailors wrecked in a whaling ship on the Japanese coast. During the negotiations a naval officer violated Japanese etiquette by stepping on board a Japanese Gov-

ernment junk before the official bell of permission had been rung, and was promptly thrown overboard. When satisfaction for this was demanded, the answer was given that the offending Japanese would be sent on board with his father, mother, brothers, sisters, grandmother, wife and sister-in-law, all of whom would rip themselves open before the Commodore for his satisfaction.

Captain Glynn was the next emissary, and by introducing the prince of the district to the persuasive charms of champagne, succeeded in securing the release of the sailors and the happy escape of the Japanese family.



Japanese drawing of a
Russian—1853

Commodore Perry was then sent with an imposing fleet by President Fillmore to secure a definite treaty opening Japan to American trade, bearing a friendly letter enclosed in a handsome gold-mounted box, together with presents for the Emperor of Japan, which included a small railroad track with a model train, reduced to one-fourth of the standard size, consisting of a locomotive, tender and passenger car, supplemented by a working exhibit of telegraph equipment. When the Japanese saw the model train running at twenty miles an hour, tested the telegraphic equipment and found it conveyed messages in Japanese as well as Dutch and English, visited the warships and were permitted to see the engines in motion, inspected the heavy guns with which the fleet was armed, their opposition broke down and a treaty of amity, peace and commerce was signed, permitting American merchant ships to enter the ports of Shimoda and Hakodate, together with freedom of access to the surrounding country. This treaty signed on March 31, 1854, was followed by a further treaty secured by Townsend Harris, U. S. Consul General at Japan, who negotiated with the Emperor in person and obtained privileges of commerce at other additional ports. Similar concessions were secured by Great Britain soon after by judicious display of force.

In the same year, fleets of France and Great Britain, which were allied at the time against Russia in the Crimean War, met at Honolulu on a joint expedition to eliminate Russia from the northern Pacific. Sitka was captured, and the British Admiralty decided to establish a naval base at Esquimalt, a few miles from Victoria, on Vancouver Island.

Following attacks on British subjects, Kagoshima, the capital of the Satsuma feudal chief, was bombarded by a British Squadron, and two years later the forts of the Chosu chief at Shimono-seki were demolished. In 1865 a combined fleet of British, French and Dutch warships anchored at Hiogo and succeeded in opening to foreign commerce the ports of Hiogo and Osaka. In 1866 British officers were engaged to organize the Japanese Navy by Keiki, the last of the Shoguns.

To the lover of art and craft Japan opened up a new world, and its influence swept through Europe. Some leaves of Hokusai's *Mangwa*, a pictorial Encyclopedia of Japan, reached Paris with a consignment of ceramics and thrilled the etcher Félix Bracquemond. In 1862 a small store for the sale of Japanese prints, Oriental embroideries and porcelains, under the name of the *Porte Chinoise* brought the artists trooping to its door. The impressionism of the Japanese woodcut appealed to the younger artists of the Latin Quarter who were breaking away from the formalism of Greek and Roman tradition and found here that balance could replace symmetry in design. James McNeill Whistler was one of those most affected, commencing with the Chinese girl in *Die Lange Leizen of the Six Marks*, then *Rose and Silver*, *La Princesse du Pays de la Porcelaine*, followed by *Caprice in Purple and Gold*, *The Golden Screen* and *Variations in Flesh Colour and Green*, *The Balcony*, and reaching perhaps the climax of his Japanese period in *The Little White Girl* and *Nocturne in Green and Gold*, now in the Metropolitan Museum, New York.

Collectors in Paris, London and New York were eager to secure the exquisite colour prints, fascinating carvings in wood and metal, ivory netsukes, cast bronze ornaments, ceramics with delicate new glazes and jewelled faience, lacquer with decoration in relief and

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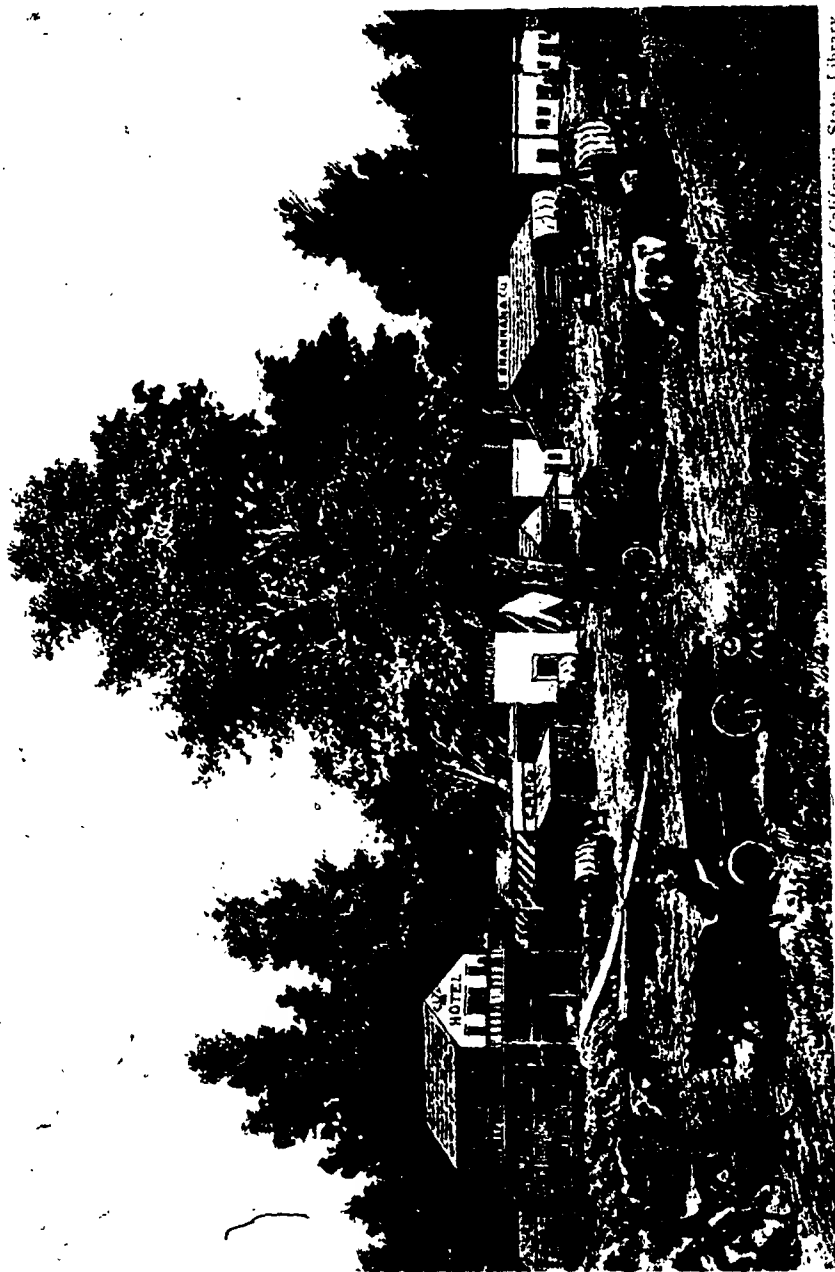
From the colour print by Hiroshige.

Kambara.



From the colour print by Hiroshige.

Cherry Trees in Yoshino.

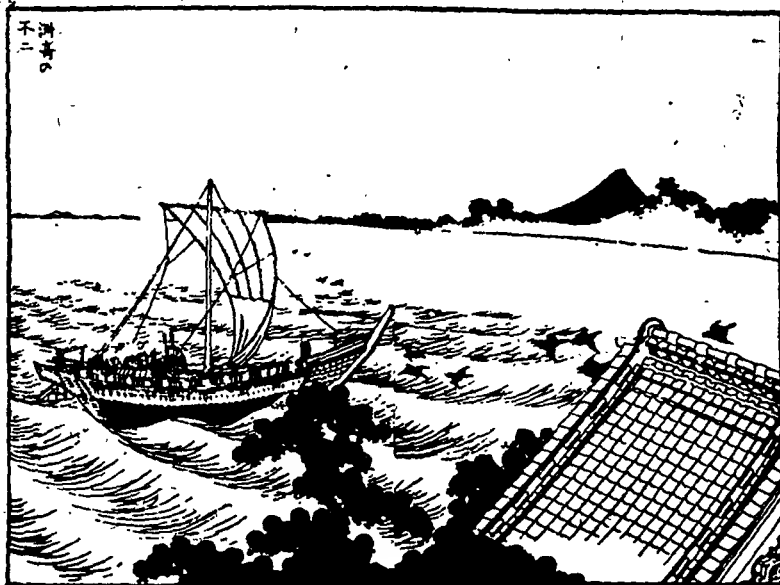


Courtesy of California State Library.

Sacramento in Gold Rush Days—1849.

cloisonné enamel which came upon the market, and merchants found immense demand for Japanese decorated silks and embroideries. The desire to visit this country of such amazing culture created a new tide of travel to the Orient and Japan became the tourist's Mecca. The visit of Japanese envoys to London in 1862 increased the interest in their rediscovered treasure island of Marco Polo.

In 1857 China also came into the limelight when Great Britain declared war against the Manchu dynasty and seized Canton. Further hostilities were delayed as the British troops were temporarily withdrawn to deal with the Indian Mutiny, but in 1860 the French joined the British in an expedition which ended in the surrender of Peking, the looting of the Yuen-Ming-Yuen Palace, freedom to preach Christianity, and the legalisation of the traffic in opium. Moreover, under the Peking Treaty of 1860, the British Colony at Hong Kong was enlarged by the addition of the peninsula of Kowloon, just five square miles of crowded population, but providing a stepping stone to a later agreement under



One of the One Hundred Views of Fujiyama
From the colour print by Hokusai.

which China leased the hinterland of three hundred and seventy-six square miles to Great Britain for a period of ninety-nine years. The rapidly increasing trade made the need for a short, direct overland route to the mother country through British North America all the more desirable.



Chinese Children playing at a Moon Gate. From a drawing by Bertha Lum

COLUMBIA AND FRASER RIVERS

TWO MONTHS after Donald Smith was shipped off to Tadousac, Governor Simpson, who recently had been knighted Sir George, set out on his overland trip round the world. From Lachine to Fort Garry he travelled by canoe, estimating the distance by waterway as two thousand miles and taking thirty-eight days to make it. Today the rail route from Montreal, of which Lachine is a suburb, is one thousand, four hundred and eleven miles, and the Canadian Pacific transcontinental train "The Dominion" makes the trip in a day and two nights. In order to save time his party rode on horseback from Fort Garry to Edmonton, carrying the baggage in carts. Even so, this distance of nine hundred miles took twenty-one days to ride, whereas the Canadian Pacific train of today travels with stops at ninety-three stations between Winnipeg and Edmonton, a distance of eight hundred and forty-eight miles, in thirty-two hours. Sir George Simpson's party followed and caught up with a mile-long cavalcade of emigrants travelling from the Red River settlement at Fort Garry to Fort Vancouver, twenty-three families in all, with men and boys in the saddle and women and children in vehicles covered with awnings. These prairie schooners could hardly have crossed the Rockies by the route they evidently followed, and the children would have been carried in panniers over on the traverse of the Great Divide.

They were going by a Canadian route in the same year and to the same destination as the first emigrant train led by John Bidwell, which went over the Oregon Trail. The Red River emigrants, however, appear to have had an easier passage. According to Simpson "they were all healthy and happy, living in the greatest abundance, and enjoying the journey with the highest relish."

These families had been persuaded to migrate to Oregon at the instance of Sir George himself, who was anxious to keep the rich Columbia territory under British dominion by peopling it with British colonists. They were travelling under the guidance of James Sinclair, a free trader of the Red River who, nevertheless, remained friendly to the Hudson's Bay Company though opposed to its claim of monopoly in the fur trade. Simpson's account of his own route across the Rockies is hard to follow, but the reminiscences of Sinclair's daughter, Mrs. William Cowan, quoted in *Women of Red River*, suggest a possible solution.

Striking southwest from Edmonton, Sir George and his party went through Devil's Gap by way of the Ghost River to Lake Minnewanka and thence to the Bow River, crossing it somewhere near Banff. Instead of continuing up the Bow Valley over the Great Divide by the route now taken by the Canadian Pacific Railway, they turned up Healy Creek, probably following one of the many trails familiar to the Stoney Indians till they reached the summit of their pass. On their way they caught a glimpse of a snow peak which was evidently that of Mount Assiniboine. Here the Scottish heart of Sir George was thrilled to find a plant "which appeared to me to be the very heather of the Highlands of Scotland—I carried away two specimens which, however, proved on a minute comparison, to differ from the genuine staple of the brown heaths of the 'Land o'cakes.'" The identity of the pass traversed was proved in recent years by Jim Brewster, the leading outfitter at Banff, who discovered a fallen ~~bee~~ trunk on which George Rowand, who was in charge of Governor Simpson's party, had cut his initials with the date. Descending by the banks of the cascading stream, now known as the Simpson, they reached the Vermillion River, which falls a little lower down into the Kootenay River. There is an easy ford over this river at Kootenay Crossing. There they found the emigrant train had preceded them, having crossed by an easier pass which Simpson says was south of the one he took. This may have been the pass well known to the Indians which descends into the Kootenay Valley by the Cross River and was used in the opposite direction by Father de Smet in 1845. Both parties evidently crossed the



Simpson Pass.

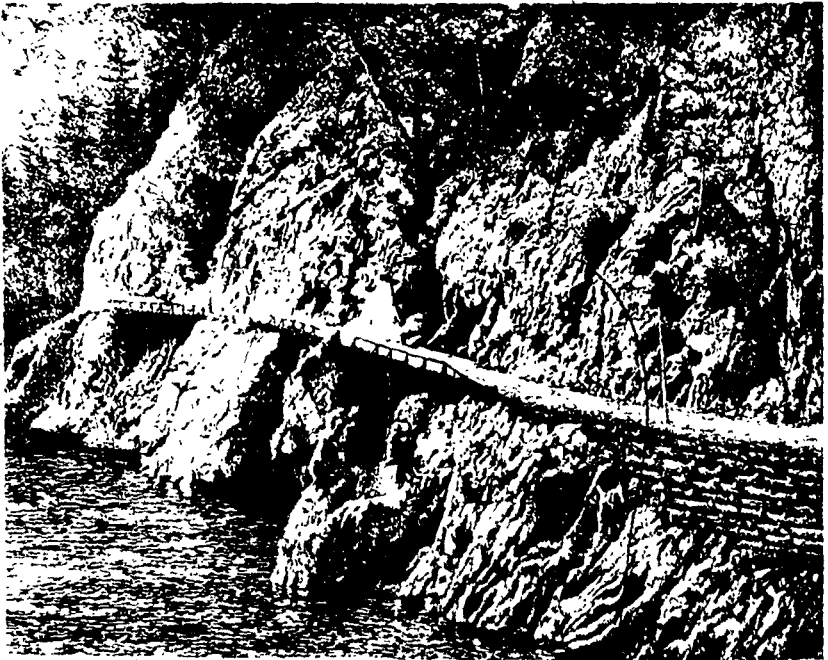


Blaze on Tree Left by Sir George Simpson's Guide, James Rowand, on
Simpson Pass—1841.



From an etching by Allan Edson.

Cariboo Road in the Thompson River Canyon.



From an old photograph.

Cariboo Road on the Fraser River Canyon.

succeeding Brisco Range by the pass still known as the Sinclair Pass, as Sir George refers to the Red Rock, now known as the Iron Gates on the Banff-Windermere Highway and to the deep ravine through which Sinclair Creek has carved its way. In the next valley he was on the route discovered by David Thompson which passes the two lakes that serve as the headwaters of the Columbia River to follow the Kootenay River, a tributary of the Columbia near the mouth of which was Fort Vancouver. The whole distance from Montreal to the Pacific coast, five thousand miles, was covered in twelve weeks.

Simpson's voyage to Alaska was made in the *Beaver* and followed the Inside Passage familiar to those who make the Alaska trip today. Captain McNeill, of the *Beaver*, was evidently popular with the Coast Indians who

"appeared, however, to understand the precise length they might go in teasing him. They made sad havoc, by the way, of his name, for, whenever his head showed itself above the bulwarks, young and old, male and female, vociferated from every canoe, 'Ma-ta-hell, Ma-ta-hell,' a word which, with the comparative indistinctness of its first syllable, sounded very like a request on their part that their trader might go a great way beyond the engineer's furnace."

Smith's Inlet, Fitzhugh's Sound, Bella Coola

"that arm of the Pacific Ocean to which Sir Alexander Mackenzie,



Fort Vancouver

Drawn from a print in the John Ross Robertson Collection, Toronto.

with matchless prudence and fortitude, forced his way across a continent never before trodden by civilized man,"

Millbank Sound, Port Essington, Wrangell's Straits, Stikine Straits, Stephen's Passage, the Gulf of Taku (called "Taco" by Simpson), Admiralty Island, Lynn's Canal, are all mentioned in this *Overland Journey*. The *Beaver* swung round through Chatham Straits to Sitka, following the same channel as the cruising steamers of today. The Russian Governor Etholine ruled his thirty-mile strip of territory on behalf of the Russian Government with impressive pomp, and Sir George pays tribute to the progressive energy of the Russians in comparison with that of the Spanish in California.

From Sitka the *Beaver* returned south to Fort Vancouver, and Sir George re-embarked in the *Cowlitz* to proceed to the Hudson's Bay Company's fort in the bay of Yerba Buena beside the port of San Francisco, dropping anchor beside two American, one British and one Mexican ship, all trading in hides or tallow. Apart from the glossy hair, sparkling eyes, sylph-like and eloquent forms, neatly turned feet and beautiful and mysterious mantillas of the Spanish women, Sir George found little to attract him in California, although he admitted that the hospitality afforded him knew no bounds. "What a splendid country," he says, "to be thrown away on its present possessors!" He expressed his hope, though evidently tempered by doubts as to its feasibility, that California might come under British dominion.

Honolulu was the next port of call, and here the Hudson's Bay Company's Agent had sufficient influence to procure a royal palace for Sir George's accommodation—decorated in one room with an engraving of the American Declaration of Independence. There was evidently considerable commerce between Honolulu and Fort Vancouver, and sailors and canoe men for the Columbia River were recruited extensively from the Hawaiian Islands. Honolulu was a central port for three important whaling grounds, and the foreign traders maintained "such sumptuousness of living" as was "perhaps not to be found anywhere out of London." The local chiefs had imported a tailor from England so as to be dressed in the latest style, and banquets and table manners were

beyond reproach. The Hawaiian Navy, consisting of a few armed schooners, is described by Sir George as "certainly superior to the squadron with which Columbus discovered America and perhaps not inferior to that with which Drake left England to circumnavigate the globe." The strategic position of Honolulu in regard to the trade and commerce of the Pacific is described in considerable detail by Sir George, who prophesied that the Sandwich or Hawaiian Islands would become the West Indies of all the less favoured climes from California to Japan, with the greater part of their exports finding a market in the Russian settlements to the north. In regard to the Pacific, he concludes

"the commerce of this ocean will be ruled and conducted by England, aided and rivalled only by her own republican offspring of America; and the merchants of these two nations, the most enterprising merchants and the most powerful nations that the world has ever seen, must decide, with a sway greater than that of princes, the destinies of this sea of seas, with its boundless shores and its countless isles."

Returning to Sitka, Sir George proceeded on the second trans-Siberian half of his overland journey round the world, completing the circuit at London in nineteen months and twenty-six days.

Simpson's dream of a British Empire dominating the Pacific with the Hudson's Bay Company playing a notable and profitable part received a body blow in the Oregon boundary decision which eliminated Fort Vancouver and the Columbia River route to the western ocean. He could not foresee the coming development of the Fraser River route, expressing his opinion that "the Fraser is of little or no use to England." That opinion (published in 1847 and widely read) probably influenced Captain John Palliser, who was sent out by the British Government in 1858 to report on the feasibility of a commercial trade route across the Rockies in British North American territory and who stated his adverse conclusion:

"The knowledge of the country on the whole could never lead me to advocate a line of communication from Canada across the continent to the Pacific exclusively through British territory. The time has now for ever gone by for effecting such an object, and the unfortunate choice of an astronomical boundary line has completely isolated the Central American possessions of Great Britain

from Canada in the East, and also almost debarred them from any eligible access from the Pacific Coast on the West."

On his return to Canada, Sir George devoted himself more strictly to the defence and propping up of the powers and privileges remaining to the Hudson's Bay Company which became more and more the object of attack. Yet all unconsciously he was to contribute to the ultimate fulfilment of a transcontinental route in which the Fraser River Valley was the Pacific outlet. For he had always been interested in steam propulsion, and when railway charters became popular in Canada, he took an active interest in and became the President of the Quebec, Montreal, Ottawa and Occidental Railway. While this railway existed only on paper during his lifetime, it eventually provided a link between the original main line of the Canadian Pacific Railway with the ports of Montreal and Quebec.

Palliser thought that the only practical commercial route from the interior of British Columbia to the Pacific was that used by the Hudson's Bay Company traders. This was the Okanagan Trail from the Columbia to the Upper Fraser and Thompson Rivers which had been first explored by John Stuart in 1813. Fort Kamloops and Fort Okanagan commanded that route from the northern interior. Kootenai House, at the headwaters of the Columbia; Kootenai Fort further south; Fort Spokane established by Finan McDonald, one of David Thompson's men, in 1810 (replaced by Fort Walla Walla eight years later); Fort Boise (1834) and Fort Hall (1837) were other interior trading posts contributing their quota of furs to Fort Vancouver—the two latter having been taken over to bar the way against the Americans. Fort Vancouver was located on the north shore of the Columbia, replacing Astoria in 1824, and the Fraser River route was developed by the erection of Fort Langley (1827), Fort Yale (1848) and Fort Hope (1848). In anticipation of the Oregon Boundary being fixed at the forty-ninth parallel, Fort Camosun (later renamed Victoria) had been established in 1843 on the south coast of Vancouver Island.

It was felt that eventual claim to Oregon would be strengthened by proof of effective occupation. Dr. John McLoughlin, Chief

Factor of the Hudson's Bay Company at Fort Vancouver, developed a large farm which in 1838 was organised as a separate concern called the Puget Sound Agricultural Company and exported dairy produce, flour and potatoes to Alaska, and hides and wool to England. Within a few years Fort Vancouver had become the leading community on the Pacific coast, with a population living in forty buildings divided into two courts, and boasting a schoolhouse, a chapel, and a central dining hall where five hundred could eat at one time. Stables and servants' quarters added a small village outside.

To counterbalance this, American settlers began to pour in from the middle western states over a wagon route across the Rockies known as the Oregon Trail. By the year 1840 the population of Illinois had reached four hundred and seventy-six thousand, Kentucky had about seven hundred and fifty thousand, Tennessee over eight hundred thousand, Missouri three hundred and eighty-three thousand, and Arkansas nearly one hundred thousand. The financial depression of 1837 had created unrest, and when the word was passed round that beyond the Indian country there lay rich lands in the Columbia Valley waiting for the settler, with a ready market in the Orient, the tide to Oregon set in with the year 1841. The great emigration of 1843 brought over two hundred families totalling over one thousand persons travelling in one hundred and twenty wagons with over sixteen hundred cattle. Peter H. Burnett, afterwards to become the first governor of California, was for a while the silver-tongued leader of this movement. One of his stump speeches has been recorded. After painting a glowing picture of this new Canaan where the principal labour of the settlers would be confined to keeping their gardens free from the inroads of buffalo, elk, deer and wild turkeys,

"he appealed to our patriotism by picturing forth the glorious Empire we should establish upon the shores of the Pacific—how with our trusty rifles we should drive out the British usurpers who claimed the soil, and defend the country from the avarice and pretensions of the British Lion—and how posterity would honour us for placing the fairest portion of the land under the Stars and Stripes."

At Fort Hall one party broke off for California, and the rest were almost dissuaded by the Hudson's Bay Company factor at the Fort. But Dr. Marcus Whitman, their leader, gave them new courage and eight hundred and seventy-five of them arrived all worn out and in rags below the Cascades, where they received a hospitable welcome from John McLoughlin.

Fourteen hundred emigrants followed the same trail in 1844, and three thousand in 1845. A provisional government was set up in this year, and in the Treaty of 1846 the Northern American boundary was fixed at the forty-ninth parallel. John McLoughlin was thought by his company to have been too hospitable to the incoming Americans and was forced to resign his position as chief factor. By 1848 the fur brigades had changed their route to the Fraser River and to Fort Victoria.

The discovery of gold in California to some extent diverted the stream of American emigration to Oregon, though it brought fortune to the settlers on the Columbia. These found a rich market for their produce among the miners of Sacramento, who were willing to pay a dollar apiece for eggs and five hundred dollars in gold dust for four bushels of flour.

Gold in California brought another link with Cathay in the form of a tide of Chinamen who paid fifty dollars a head to cross the Pacific to do the odd jobs, ply their trades and wash gold as well as linen. Some of them ran restaurants, with Chinese food for their compatriots, and one of these incidentally introduced what has since become a national American dish, namely Chop Suey. This is said to have been served sarcastically by a Chinese restaurant man to a gold digger in the bowl which is kept with scraps of food for beggars. It was a novelty and caught the fancy of the miners who spread the gospel of this new dish throughout the United States. The Heathen Chinese came to stay and Bret Harte made him famous in story and poems such as *Plain Language from Truthful James*. When the gold rush came later to the Fraser River, Ching Ching Chinaman went with it. He was a hard worker and made himself indispensable to the railway contractor when railways came to be built. So we find him later working for Onderdonk, the contractor for the

construction of the Pacific end of the Canadian Pacific Railway.

The migration to Oregon had cost many a life, for the hardships of the long trail from the Missouri took heavy toll. The resentment of the Indians who saw in this settlement the loss of their hunting grounds resulted in massacres and uprisings. These might have stopped the flow had they not been offset by the Donation Land Law, which brought six thousand more settlers to Oregon from 1850 to 1852.

In front of a log house at Chelsea, beside the La Porte state road, in the Illinois Valley, a chubby five-year-old boy, William Cornelius Van Horne, would stop his play to watch the prairie schooners with their cargoes of human freight passing on their long journey to Oregon and California. His imagination was stirred and thrilled by the great migration, and he himself longed some day to join this cavalcade to the Golden West.

Forced out of the lower Columbia, the Hudson's Bay Company obtained from the British Government the concession of Vancouver Island on a rental of seven shillings a year with the proviso



Mountain Roads, Cariboo

*Courtesy of Provincial Library and Archives,
Victoria, B. C.*



Antler Creek

*Courtesy of Provincial Library and Archives,
Victoria, B. C.*

that a colony of British subjects should be established within five years. By putting a price of five dollars an acre on land at a time when a settler in Oregon could get a square mile for nothing, the company made little progress, so that by the end of 1853 the total white population of the Island numbered only four hundred and fifty, with not more than five hundred acres under cultivation, mostly by the company's own officers. The concession was cancelled, and Vancouver Island became a Crown Colony with provision for eventual expansion to the adjoining mainland west of the Rockies.

Discovery of gold in the sand bars of the Fraser River led to a mining boom in the spring of 1856, and twenty to twenty-five thousand prospectors passed through Victoria this year in the search for fortune. San Francisco was deserted. Two hundred buildings were erected near the Fort in six weeks, town lots sold at one thousand dollars a foot frontage, and Victoria became the busiest harbour on the Pacific coast. Five hundred and forty-three thousand dollars in gold was shipped out of the Fraser River that year.

On August 2, 1858, British Columbia was declared a colony, and the rights of the Hudson's Bay Company on Vancouver Island were bought out for fifty-seven thousand five hundred pounds. The name of New Caledonia applied to this territory by the Scottish element in the Hudson's Bay Company clashed with New Caledonia in the Australian Pacific, which had been annexed by France in 1853, so the problem was referred to Queen Victoria, who gave the Colonial Secretary the following decision:



Colonel R. E. Moody

Gordon Photos, Vancouver, B. C.

"The Queen has received Sir Edward Bulwer Lytton's letter. As the name New Caledonia is objected to as being already borne by another Colony or island claimed by the French, it may be better to give the new Colony west of the Rocky Mountains another name. New Hanover, New Co-

lumbia and New Georgia appear from the maps to be the names of subdivisions of that country, but do not appear on all maps. The only name which is given to the whole in every map the Queen has consulted is 'Columbia,' but as there exists also a Columbia in South America and the citizens of the United States called their country also Columbia, at least in poetry, 'British Columbia,' might be, in the Queen's opinion, the best name."



Queen Victoria in 1863

As the French New Caledonia was soon afterwards to become a convict settlement, the change of name was doubly fortunate.

James Douglas, who had been governor of Vancouver Island since 1851, was appointed governor of British Columbia at a salary of one thousand eight hundred pounds, or about nine thousand dollars, on condition that he severed connection with the company. The capital of the new colony was located first at Fort Langley, renamed Derby, and then on the advice of Colonel Moody, of the Royal Engineers, was moved lower down the Fraser River to a site named New Westminster by Queen Victoria. Roads were built by the Royal Engineers with assistance from the miners themselves. A wagon road was constructed from the Harrison to the Upper Fraser, Hope was connected with Similkameen and continued by the Dewdney Trail to Fort Steele on the Kootenay River, the Cariboo road was built from Yale past Lytton and Ashcroft. Douglas had a vision that the Dewdney Trail would some day connect at Kootenay River with a wagon road from Edmonton, perhaps over the Simpson Pass, and so provide communication with the Canadas.

The discovery of gold in the Cariboo intensified the interest in the Fraser River, and resulted in immigration from the east as well as California. Within seven years twenty-five million dollars was shipped out of the tributary creeks and five thousand miners had come in. Of those who came from the east, one party of some seventy Canadians and English, celebrated as the Over-

landers, made an adventurous Odyssey across the Yellowhead Pass in 1862. This pass was named after Jasper Hawes, a yellow-haired free trader who is said to have overawed the local Indians by threatening to set the forest ablaze with his fiery locks if they did not bring him their furs. Reaching the upper waters of the Fraser River towards the end of August, in rags and short of food, some of them took the chance of running the rapids to Fort George in rafts which the local Indians taught them to build, with railings to which were tied their oxen and ponies, and with flat stones on which meals were cooked. Many who chose canoes perished in the rapids and whirlpools, but the rafts and a few canoes survived the perilous run. Quesnel was reached on the eleventh day of this voyage.

The miners coming up north from California included an Ulster Scot, born in County Cavan, Ireland, who came as a lad to Canada in 1843 and settled at Thorold, Ontario, as an apprentice in the hardware business. In 1861 he had followed the gold rush to California, where he operated a hardware store with considerable success. In 1863 he decided to try his luck in the Cariboo, where he did very well out of the Tinker claim on Williams Creek, returning to Thorold with forty thousand dollars to his credit. The name "Tinker" was probably adopted in jest, as it is descriptive of an itinerant hardware peddler and knife grinder. This was Henry Beatty, father of Sir Edward Beatty, the present chairman and president of the Canadian Pacific Railway.



Henry Beatty

Henry Beatty now joined his cousin John in a steamship business on the Great Lakes out of Collingwood, which eventually became the Northwest Transportation Company of Sarnia. When the Canadian Pacific Railway Company was being promoted, Henry Beatty was asked to join the Syndicate, but that story can wait for a later chapter.

PIERCING MOUNTAIN BARRIERS

AS ONE who had to travel Canadian roads frequently himself; John A. Macdonald realised that Canada could not develop without improved transportation. In his address to the electors of Kingston when he sought their votes in 1844 for the Parliament elected to meet in Montreal, he declared, "No exertion will be spared by me in forwarding the settlement of the rear townships, by the formation of public roads." In the following year he addressed a meeting called by the Mayor of Kingston in support of a proposed railroad from Kingston to Toronto, and in 1851 in Gananoque he moved a resolution "that the construction of railroads tends very much to promote the prosperity and happiness of the country," declaring that the farmers would be largely benefited by the construction of a railroad leading to the seaboards.

Between 1834 and 1850 thirty-four Canadian railway charters had been granted with a total capital of twelve million, eight hundred thousand pounds, but the capital was, in most cases, as visionary as the railway lines. The Guarantee Act of 1849 helped actual construction by enabling any railway over seventy-five miles long to borrow money with a guarantee of six per cent up to half the bonded interest. With this assistance, supplemented by subscriptions from interested municipalities, Canada had an actual trackage in 1853 of two hundred and five miles with another six hundred and eighteen miles under construction. In 1851 the Great Western Railway, which was planned to run from Hamilton to London, Ontario, with branches to the inland ports of Windsor, Sarnia and Goderich, was constructed with American money and American contractors. The profits talked of varied from fifteen to twenty per cent.

The fatherly interest taken by American promoters in Canadian



John A. Macdonald in 1842

railway construction was no doubt influenced by the desire to draw traffic from Canada to their own lines and ports, and this was frankly admitted at a celebration held at Boston in 1851, to signalise the completion of rail connection between Boston and Montreal. Among the Canadian delegates to this celebration were Sir Allan MacNab and John A. Macdonald.

Allan Napier MacNab won his knighthood for his services in suppressing William Lyon Mackenzie's Rebellion of 1837, where his most notable feat was to send Mackenzie's supply boat, the *Caroline*, over Niagara Falls. Entering political life, he became the leader of the high and dry Tories, with a strong predilection for railway expansion. In 1845 he went to London, in the hope of raising capital for the Great Western Railway, and two years later endeavoured to get the British Government to lend money for the construction of this enterprise, which in return was to relieve distress in Ireland and Scotland by transporting emigrants for railway work. For lack of English support he turned to the United States, which supplied both money and engineers for the construction. John A. Macdonald by this time (1851) had risen to be solicitor-general and sympathised with MacNab's idea that Canada needed railways. Where he differed from MacNab was in the advisability of going to the United States for assistance. Canadian railways benefited by the traffic carried in bond through Canada to and from American points, and this domestic transit trade was a useful source of income to the Great Western Railway, which provided a link between American railroads serving New York and Chicago.

Three other associates of John A. Macdonald were financially interested in the Grand Trunk Railway, a rival of the Great Western, namely, E. P. Taché, A. T. Galt and Georges Etienne Cartier.

The Grand Trunk Railway was incorporated in 1852, and according to the prospectus issued in England the following year, the directors were to include six members of the Canadian Government and the contractors to be the English firm of Peto, Brassey, Betts and Jackson. Estimated profits for stockholders were to be eleven and one-half per cent and the railway was planned to link Sarnia on Lake Huron with Toronto, Montreal, Quebec and Portland.

Before long the two rivals agreed to eliminate costly duplication and to co-operate where feasible. But wages went up and credit went down, so that further assistance had to be secured from any government or municipality that was willing to give it. The severe depression of 1857 was followed by the temporary cessation of railway construction in 1860. In the meanwhile the first passenger train on the Grand Trunk was run from Montreal through to Toronto in 1856, and by 1859 the system extended from Rivière du Loup, east of Quebec City, and from Portland, Maine, to Detroit and Port Huron. By 1860 the total railway trackage in Canada amounted to 1,895 miles.

John A. Macdonald himself refrained from taking any personal interest in railway promotion or dividends, perhaps fortunately, for his thoughts were left free to concentrate on larger problems. In 1857 he was responsible for the engagement of Chief Justice Draper to press the claims of Canada at the Hudson's Bay Company Enquiry in London. These claims were recognised by the Select Committee of the House of Commons, which included in its report that:

"It is essential to meet the just and reasonable wishes of Canada to be enabled to annex to her territory such portion of the land in her neighbourhood as may be available to her for the purposes of settlement—with which lands she is willing to open and maintain communications, and for which she will provide the means of local administration. Your Committee apprehend that the districts on the Red River and the Saskatchewan are among those likely to be desired for early occupation. Your Committee trust that there will be no difficulty in affecting arrangements as between Her Majesty's Government and the Hudson's Bay Company, by which these districts may be ceded to Canada on equitable principles."

Reports turned in by the Palliser and Dawson-Hind Expeditions of discovery confirmed Macdonald in his belief that Canada would be justified in extending her domain northward at least as far as



Sir Allan MacNab

the Rockies. Captain John Palliser was an English sportsman sent out in 1857 by Henry Labouchere, Secretary for the Colonies in the Imperial Government, to survey the possibilities of colonisation in Rupert's Land, and "whether the country between Lake Superior and the Pacific afforded a reasonable prospect for the construction at some time in the future of a transcontinental railway." His snap

judgments condemning any expenditure on road or railroad building between Lake Superior and the Red River Settlement or across the Rockies, created a prejudice against this western country in Great Britain. However, Palliser had several competent assistants, notably Dr. James Hector, an Edinburgh geologist, and the excellent large map attached to his report has made it much sought after.

In a single year four passes over the Canadian Rockies were crossed, of which one (the Kicking Horse Pass) was afterwards actually used by the Canadian Pacific Railway, while a second, the Vermillion Pass, forms part of the route of the present Banff-Windermere Highway. This received its name from the ochre beds which provided the Indians with a source of supply for their much desired red paint. Kananaskis Pass is probably the pass used by the emigrant train referred to in Sir George Simpson's narrative of 1841, and may have given him the suggestion of a more direct route for the fur brigades than the established trail over Howse Pass further north. The selection of a geologist as member of the Palliser Expedition was probably inspired by the report made to Governor Douglas by Angus McDonald in 1856 that gold had been discovered on the Upper Columbia. Henry Labouchere when asked for military assistance in enforcing a tax on the miners, had replied that as the government did not



Vermillion Paint Pot.



Vermillion Pass.



Photo by Associated Screen News.
Night-Gipsy (Blood Indian).



Photo by Associated Screen News.
Far-Away-Cough (Blackfoot Indian).



Courtesy of Harper's New Monthly Magazine.
Buffalo Trails.

expect to raise revenue from so remote a part of the British possessions, neither did it propose to incur any expense on account of it.

Vermillion Pass and Kicking Horse were traversed not by Captain Palliser himself but by Doctor Hector, following a trail from the Bow Valley, opposite Castle Mountain to the Kootenay Valley and then turning north over a low pass to the Beaverfoot River, a tributary which joins the Kicking Horse River at Leancoil. This, according to Hector, was "an old neglected pass, that used to be used by Cree war parties." Describing the western side of the Vermillion Pass, he says:

"The Valley is tolerably open and the descent is uniform. The dense woods often compelled us to cross and recross the stream, it being so much easier to travel on the shingle than chop our way through the forest."

Even at that time there was evidence of forest fires:

"The fallen trees had been burnt which allowed us to pass along freely. . . . Very little grading would be required to make a good passable road."

A little above the Falls near Leancoil, Hector had the painful experience which gave the Kicking Horse River its name:



Sir A. T. Galt

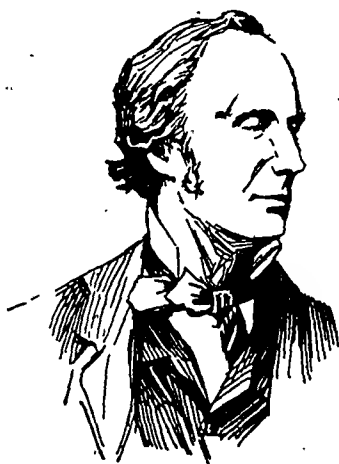
"One of our packhorses, to escape the fallen timber, plunged into the stream, luckily where it formed an eddy, but the banks were so steep that we had great difficulty in getting him out. In attempting to recatch my own horse, which had strayed off while we were engaged with the one in the water, he kicked me in the chest, but I had luckily got close to him before he struck out, so that I did not get the full force of the blow. However, it knocked me down and rendered me senseless for some time. . . . After travelling a mile along the left

bank of the river which, because of the accident the men had named Kicking Horse River, we crossed to the opposite side."

Such is the story of the Kicking Horse incident as told by Hector himself. Peter, the Indian guide, has added some further details. According to him, the Indians with the party were in fear of attack by a hostile tribe and were anxious to push on. They thought that Hector had been killed, so they hastily dug a shallow grave into which they lowered the body. They were about to shovel in the earth when they noticed a flicker in the eyelids of the corpse, so they lifted Hector out again and found to everybody's joy that he was still alive.

The report of Captain Palliser in regard to a road to the Red River Settlement, was definitely adverse:

"As a line of communication with the Red River and the Saskatchewan prairies, the canoe route from Lake Superior to Lake Winnipeg, even if made first and greatly improved by a large outlay of capital would, I consider, be always too arduous and expensive a route of transport for emigrants, I therefore cannot recommend the Imperial Government to countenance or lend support to any scheme for constructing, or, it may be said, forcing a thoroughfare by this line of route either by land or water, as there would be no immediate advantage commensurate with the required sacrifice of capital; nor can I advise such heavy expenditure as would necessarily attend the construction of any exclusively British line road between Canada and the Red River Settlement."



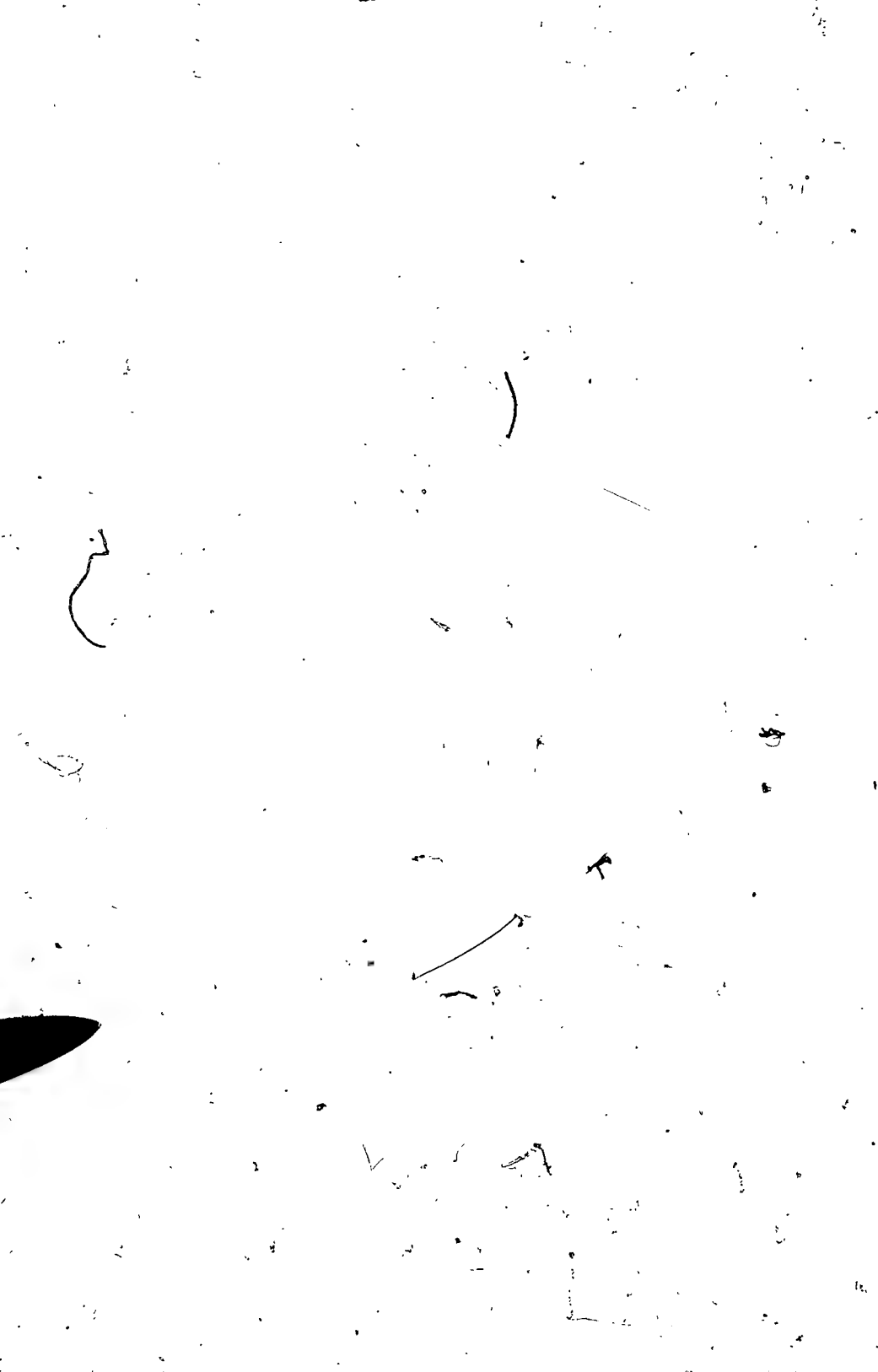
Captain John Palliser

Captain Palliser's expedition was sent by the British Government, but fortunately the Government of Canada organised its own separate expedition to investigate routes to the west and to study the possibilities of the Canadian prairies for settlement. This was in two divisions, one under the



From a pastel by Leonard Richmond.

Kicking Horse Pass.



PIERCING MOUNTAIN BARRIERS

III

direction of S. J. Dawson, a Scot from Glengarry, who came to Canada as a boy and took up the study of civil engineering. Dawson's exploration covered the country between the head of Lake Superior and the Red River Settlement, and resulted in the conclusion that the easiest route between those points was along the later Northwestern and Hudson's Bay Company route from Fort William, rather than the earlier route of the French fur traders from Grand Portage (now in American territory). Dawson estimated that a combination of waterway and wagon road could shorten the journey between Lake Superior and Red River to three days at a cost of not more than fifty thousand pounds, and that if the wagon road were replaced by a railroad, the time could be shortened to two days instead of the usual four weeks. This, he said,



Sir James Hector

"would be the first step to a route through Canada and British Columbia. Once at Red River there is navigable water with but little interruption to the base of the Rocky Mountains; and through these it appears that Captain Palliser has recently discovered easy passes within British territory. From thence westward to Frazer's River the distance is, comparatively, not great. It is, therefore, reasonable to believe that if the route were opened to Red River, it would soon be continued all the way to Frazer's River and the Pacific, and as it is the shortest that can be adopted, it would, no doubt, become the highway of an emigration to the gold regions, the extent of which no one can foresee.

"Another, and by far the most important consideration is, that by opening this route, a vast extent of fertile land would be thrown open to colonization, and this is of peculiar interest to Canada at present. It is a well known fact that an emigration (of French Canadians) is constantly going on from Lower Canada (Quebec) to the prairies of the Western States. Now the *Rivière Rouge* and the *Nord Ouest*, from the time that the Canadian voyageurs occupied the country, have been familiar words in Lower Canada, and if the route were once opened there

can be no doubt but that (French) Canadian emigrants would prefer a land with which they are so much connected by old associations, where a kindred people are ready to receive them, and where they would have the inestimable advantage of living under British laws, to a country where they would not understand the language, and where most of those of them who do emigrate become mere hewers of wood and drawers of water, to a people who have sharpness enough to turn their simplicity to account."

The second division of this Canadian expedition explored the Assiniboine and Saskatchewan watersheds west of the Red River settlement under the direction of Henry Youle Hind, Professor of Chemistry and Geology in the University of Trinity College, Toronto, an Englishman who came to Canada in 1847. Hind made the somewhat startling proposal to divert the waters of the South Branch of the Saskatchewan River into the Qu'Appelle River, a tributary of the Red River, so as to eliminate the round-about water route through Lake Winnipeg and the north branch of the Saskatchewan and to provide a continuous waterway directly westward and navigable by steamers to the Bow River and its continuing pass over the Canadian Rockies. Hind emphasised the attraction which recent discoveries of gold in British Columbia was causing to emigrants, and claimed that the Canadian route to the Pacific coast was easier than any American route yet discovered. He wrote:

"During the past Summer, when returning from the South Branch, I met several parties of American emigrants, who were proceeding to Frazer's River via Carlton House and the North Branch of the Saskatchewan. One party was well furnished and equipped by an influential company at St. Paul, whose objects and proceedings have been published in pamphlet form. Some of the emigrants are wintering at Red River Settlement, purposing early in the Spring to follow in the track of the party I met. Others are now organizing in the North Western States, to journey to the 'Mines' by the same route. It is apparent that a strong effort will be made to establish a North-Western Emigrant Land Route to the Pacific, by the people of the North-Western States of the Union. The Missouri route is too difficult and hazardous at present. . . .

"The projectors of the navigation of Red River below Breckenridge, in the State of Minnesota, look also to the North Branch



From the painting by Ford Madox Brown.
- Photo by Autotype Fine Art Company.

The Last of England.



S. S. Sarmation.
An early Allan Line steamer.

as offering the most favourable means of reaching the foot of the Rocky Mountains. They are constructing a steamer on Red River, and propose to connect, by a line of stages, with Crow-Wing and St. Paul. . . .

"One of the results of this Exploring Expedition to the South Branch of the Saskatchewan last year has been to ascertain the practicability of constructing, at a very small cost when compared with a railroad, a communication for steamers of considerable size to near the foot of the Rocky Mountains . . . to Bow River. In order to convert this route into a steamboat communication without any serious interruption, the diversion of the waters of the South Branch down the Qu'Appelle Valley is involved. . . .

"The occurrence of gold in unexpected abundance in British Columbia, not only in Frazer's River but also on Thompson's River and elsewhere, over wide areas, coupled with the emigration and commercial activity to which it will give rise, is sufficient to warrant me in drawing your attention to the subject. . . . In the eyes of our American neighbours of the Western States, it is of paramount importance; and I think we may look upon the banks of the South Branch of the Saskatchewan as the great emigrant route to British Columbia which will be eventually adopted."

Hind's proposal to divert the waters of the south branch of the Saskatchewan met with opposition from S. J. Dawson, his colleague of the first division, who predicted that if this were attempted

"the plains of Red River would be converted into a Sea, and the Settlement swept into Lake Winnipeg."

The Dawson-Hind reports were published in Canada, and were also sent by Lord Monck, the Governor-General, to England, where they were republished by the British Government. Hind's story of his explorations was also published as an independent book in two volumes, with coloured illustrations.

The Red River settlement had no intention of being swept into Lake Winnipeg. It was making steady if slow progress towards prosperity, the chief handicap being lack of communication with the outer world.

NEW BLOOD FROM SCOTLAND

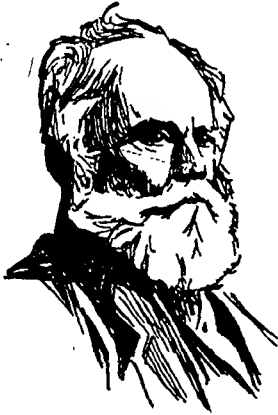
IN THE early stages of their development, it was fortunate for the provinces of British North America that the British Navy ruled the Atlantic seas. Napoleon could not save the French, and the War of 1812 crushed the budding American Navy, so that nothing interfered with the steady flow of manpower and money coming from the motherland. A large fleet of sailing ships was needed to carry the half million emigrants who were added between 1840 and 1850. Six weeks was a quick passage in these days. Many there were who fell prey to ship's fever and never arrived at all. The first attempt at a regular passenger service to the St. Lawrence is credited to Captain Alexander Allan, commencing in 1819 with the brig *Jean*, already mentioned, square-sterned and carvel built, making several round trips from Greenock each summer. Hugh Allan, the Captain's second son, came to Canada in the brig *Favourite* in 1826, and after clerking in a drapery or drygoods store, entered a firm of shipping agents and shipbuilders of which he soon became a partner and eventually the chief. He had a forceful, rugged personality and retained to the last simple habits of life, although he became one of the wealthiest men in Canada and was knighted in 1874 for his pioneer work in establishing steamship services between Canada and the old country. Interested in banking, he became a director of the Bank of Montreal and founded the Merchants Bank of Canada. When railways came into the Canadian picture, Hugh Allan was prominent among the promoters, and was particularly in the limelight in the early seventies as one of the two competitors for the Canadian Pacific Railway charter which caused the temporary downfall of John A. Macdonald's ministry. He was appointed President of the Provisional Board of Directors.

The sailing ships in service in the early days of the Allan family

were such as the *Canada* (330 tons) built in 1830, the *Brilliant* (429 tons) built in 1834, the *Gipsy* (598 tons) built in 1838, the *Blonde* (676 tons) built in 1841. The original *Favourite* was replaced by another of the same name in 1839. The last four vessels were all from Montreal shipyards. Other early Allan sailing ships were the *Caledonia*, *Montreal*, *Ottawa* and *St. Lawrence*. The emigrant fare was three pounds, five shillings, or about sixteen dollars, the passenger bringing his own food. Six weeks or more at sea might well grow monotonous, and the passengers to pass the time would give the sailors a hand and sing with them the capstan and halyard chanties which remained many a year to cheer the winter evenings in after life on forest clearings.

The first steamship to cross the Atlantic under its own steam was the *Royal William*, originally built for the Quebec-Halifax trade for a small company in which Samuel Cunard, of Halifax, was one of the incorporators. The *Royal William* was sent across the Atlantic to be sold, not on regular service. However, in 1838, the year in which Donald Smith came to Lachine, Samuel Cunard went to England to negotiate a subsidy from the British Government for a steamship service to North America. Succeeding in this mission, he started in 1840 a service between Liverpool, Halifax and Boston, which was supplemented at Halifax with a service to Quebec. The American business proved more profitable to Samuel Cunard than that to Canada, so when Hugh and Andrew Allan, in 1854, put in a steamship service fortnightly in summer, to the St. Lawrence, and monthly in winter to Portland, Maine, helped by a mail subsidy of twenty-five thousand pounds a year, they stepped into the first place in the Canadian trade.

The decision to operate a steamship service was encouraged by the completion of the St. Lawrence and Atlantic Railway in 1852, connecting Montreal with Portland, and thus providing a winter port and therefore the possibility of a year-round service for Canada, even though the winter port was in the United States. That service, however, was for a time disrupted by the demand for transports created by the Crimean War and the two new steamers built for the Allans, the *Canadian* and the *Indian*, were diverted to the Black Sea till they could be spared for their original inten-



Sir Hugh Allan

tion. The Allan Line plays a vital part in our story, for it was eventually absorbed into the Canadian Pacific fleet on the Atlantic; and has supplied a large number of highly efficient captains and traffic officers to the Canadian Pacific personnel.

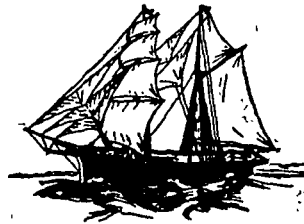
John A. Macdonald saw that, without a winter port of its own, Canada (which previous to Confederation was limited to the territory now represented by the Provinces of Ontario and Quebec) was shut off from direct connection with the motherland for six months in the year, and that union between Canada and the Maritime Provinces was required to eliminate the crippling handicap of hostile inter-provincial tariffs. In 1858, his colleague, Georges Etienne Cartier, accompanied by Alexander T. Galt and John Rose, went on a mission to get the British Government to agree to discussions on Union between the Provinces. In this year resolutions were passed in the Canadian Parliament urging the British Government to support a proposed railway linking the Provinces, which, during the winter months, could carry on intercourse only through the United States, and claiming that such railway was a military necessity, forming part of a highway which would ultimately extend across British North America from Atlantic to Pacific.

The outbreak of Civil War in the United States and the tension caused by the "Trent" affair gave strength to such arguments, and after disturbing delays, Sandford Fleming was appointed jointly by the British Government and the Provinces to prepare estimates of the probable cost of the proposed Intercolonial Railway, the British Government guaranteeing a loan of three million dollars for preliminary surveys.

Fleming was a Fifeshire Scot who came to Canada at the age of eighteen, in 1845, looking for an engineering job. He was encouraged in his desire to emigrate to Canada by Edward Ellice, whose family was closely associated with the Northwest Company

and who himself was a considerable factor in the amalgamation of that company with the Hudson's Bay Company, of which he eventually became deputy governor. Ellice was also a director of John Galt's Canada Company, and was interested in the settlement of the country as well as the fur trade. After some preliminary experience in land surveying, Sandford Fleming joined the staff of the Ontario, Simcoe and Huron Railway as assistant engineer. This was a small railway running less than a hundred miles out of Toronto, afterwards known as the Northern Railway, and eventually absorbed by the Grand Trunk. He had become chief engineer when the construction of the line was completed, and, looking about for wider opportunities, accepted in 1863 a mission from the Red River settlement at Fort Garry to go to England to interest the British Government in the construction of a road uniting that settlement with the eastern provinces. Fleming had for some years been advocating the advisability of building a transcontinental railway through British North America, commencing with a road from Lake Superior to the Red River settlement. The memorial which he was asked to convey to the Canadian and British Governments stated:

"With reference to that section of the country lying between this Settlement and Lake Superior, it is respectfully submitted that the difficulties to be encountered in opening up an easy communication are entirely over-rated . . . this was the regular route by which the North-West Fur Company imported and exported heavy cargoes for more than a quarter of a century, and which the Hudson's Bay Company have used more or less for nearly three-quarters of a century. The whole country through which the proposed road would run, almost from Lake Superior to the Rocky Mountains, is remarkably level. . . . We believe that a railway could be here laid at a cheaper rate than in most countries. . . . This is the most natural highway by which commerce and general business with the East could be carried on. It would also be the most expeditious . . . and thus from Vancouver's Island to Nova Scotia, Great



Brig *Jean*, first vessel of the Allan Line



Sandford Fleming, circ. 1860

Britain would have an unbroken series of Colonies, a grand confederation of loyal and flourishing provinces, skirting the whole United States frontier, and commanding at once the Atlantic and the Pacific."

Five years after Sandford Fleming came to Canada, another young Scot arrived in Montreal who was to figure largely in the business of Canadian transportation. This was George Stephen (afterwards to become Lord Mount Stephen), born in Dufftown, in the northeast of Scotland, who started in business life as a draper's apprentice at Pratt and Keith's, in Aberdeen, and was working in the store of J. F. Pawson

and Company, St. Paul's Churchyard, London, when chance brought him to the attention of a relative, William Stephen, who was an importer of woollen and cotton goods in Montreal. Invited to come to Canada, George Stephen joined William Stephen's firm in 1850, and showed such promise that three years later he was sent to London as a buyer for the firm. There he was befriended by one of London's merchant kings, James Morrison of "Morrison's Millions" fame, who had made a fabulous fortune on the principle of "small profits, quick returns."

Morrison's own rise was due to a romantic incident. It was the custom in his youth for the apprentice to live in his master's house. There he was attracted to a good looking maidservant, and meeting her (as he thought) one evening on the stairs, he flung his arms round her and kissed her. The lady, however, happened to be not the maid but the master's daughter, who took to heart this evidence of supposed affection and married him. James Morrison did not live to regret the incident, but prospered exceedingly in what was known as the Fore Street Limited Liability Company, a leading house in the London drapery business. James Morrison was a man of wide vision and had taken keen

interest in railway legislation as a member of the British House of Commons. He also was attracted by the nature of his business to the handicrafts and fabrics of the Orient, and had assembled a notable collection of Oriental works of art, as well as Dutch and Italian Old Masters, at Basildon Park, Berkshire.

As a frequent guest in James Morrison's mansion, George Stephen enlarged his knowledge of the world and acquired that interest in the produce of the Orient which had a bearing on the policies which he later directed as first president of the Canadian Pacific Railway. Fifty years later, when he was given the freedom of the city of Aberdeen, in recognition of his service to the British Empire, he said:

"Any success I may have had in life is due in a great measure to the somewhat Spartan training I received during my Aberdeen apprenticeship, in which I entered as a boy of fifteen. To that training, coupled with the fact that I seemed to have been born utterly without the faculty of doing more than one thing at a time, it is due that I am here before you today. I had but few wants and no distractions to draw me away from the work I had in hand. It was impressed upon me from my earliest years by one of the best mothers that ever lived that I must aim at being a thorough master of the work by which I had to get my living; and to be that I must concentrate my whole energies on my work, whatever that might be, to the exclusion of every other thing. I soon discovered that if I ever accomplished anything in life it would be by pursuing my object with a persistent determination to attain it. I had neither the training nor the talents to accomplish anything without hard work, and fortunately I knew it."

Soon after George Stephen came to London, war broke out between Turkey and Russia, and the merchants in the drapery business advised him to purchase and ship woollen and cotton goods heavily to Canada, as the price was certain to rise. Stephen had been taught by Morrison that quick decisions were vital in business, so without waiting for instructions (the Atlantic cable was not laid till 1865) he shipped such large consignments of goods by the Allan boats to Montreal that William Stephen thought his buyer had gone crazy. However, prices went skyrocketing in the Crimean War, and the foundations of the Stephen fortunes were

laid. On his return to Canada, George Stephen soon became the dominating partner, and bought up the business when William died in 1860.

The Honourable Peter Mitchell, a prominent Canadian politician, once said of George Stephen, "If there's any man in Canada that can put the yellow fuzz on the bumble bee, it's George Stephen." He was now one of the most substantial men in Montreal and became interested in banking, spending his spare time in reading up the subject. His early training as a salesman had made him fastidious about clothes, and as soon as he could afford it, he had a valet—an unusual luxury in the Montreal of that day. He had married an Englishwoman of great personal charm and culture, whose ambition to become an actress had been nipped in the bud by stage fright. Montreal is hot in July and summer, so he took summer places, his favourite being at Causapsca in the Metapedia Valley in New Brunswick, with salmon fishing at the door, in "a Highland glen such as I have never seen out of Scotland." There and in Montreal the latch was always loose for old country visitors, and in this way Stephen became a close friend of Colonel Garnet Wolseley, afterwards to become field-marshal of the British Army, who came to Canada early in 1862 to make arrangements for the reception of British troops sent across the Atlantic in anticipation of trouble with the United States following the *Trent* affair. Colonel Wolseley stayed at the Montreal House, which was the Ritz Hotel of its day, and became a frequent guest. He was fresh from service in the recent Chinese War, an account of which he published in book form, and fascinated Stephen with his accounts of China and Japan, a country which he had visited after the surrender of Peking. Wolseley was frank in his opinion that the Chinese are the most remarkable race on earth and were the coming rulers of the world, needing only a Chinese Peter the Great or Napoleon to make them so. Stephen was interested in Wolseley's own narrative of the later Red River Expedition, which opened the eyes of the incredulous to the possibilities of communication between Lake Superior and the western prairies.

George Stephen, as a director of the Bank of Montreal, came in touch with Donald Smith, who turned out to be his cousin and

was making periodical visits to Montreal in connection with his now considerable investments. The first meeting between the cousins was not till 1866. At that time Donald Smith presented a countrified appearance, with long sandy hair, a heavy red beard and bushy red eyebrows. He presented himself at Stephen's house in Montreal with a bright coloured carpetbag, which he had bought to impress the Indians of Labrador. George Stephen, however, was by this time far from being an Indian and was not impressed.

The Bank of Montreal, the oldest existing bank in Canada, was established in 1817, with a charter based on that which was drawn up by Alexander Hamilton for the first Bank of the United States in 1791, its first president being a Northwest trader named John Grey. Careful management enabled it to survive periods of depression, and its position was still further strengthened when David Davidson became general manager and reorganised the bank with the introduction of Scottish methods and principles. Bank clerks trained in the old country were encouraged to come out, and among these was R. B. Angus, a young Scot born at Bathgate, near Edinburgh, who at the age of twenty-six came from the Manchester and Liverpool Bank in 1857 to join the staff of the Bank of Montreal. In 1861 when the Canadian banks were taking over from the eastern banks of the United States the financing of the crop movement from the northwestern states, R. B. Angus was sent by the Bank of Montreal to Chicago to



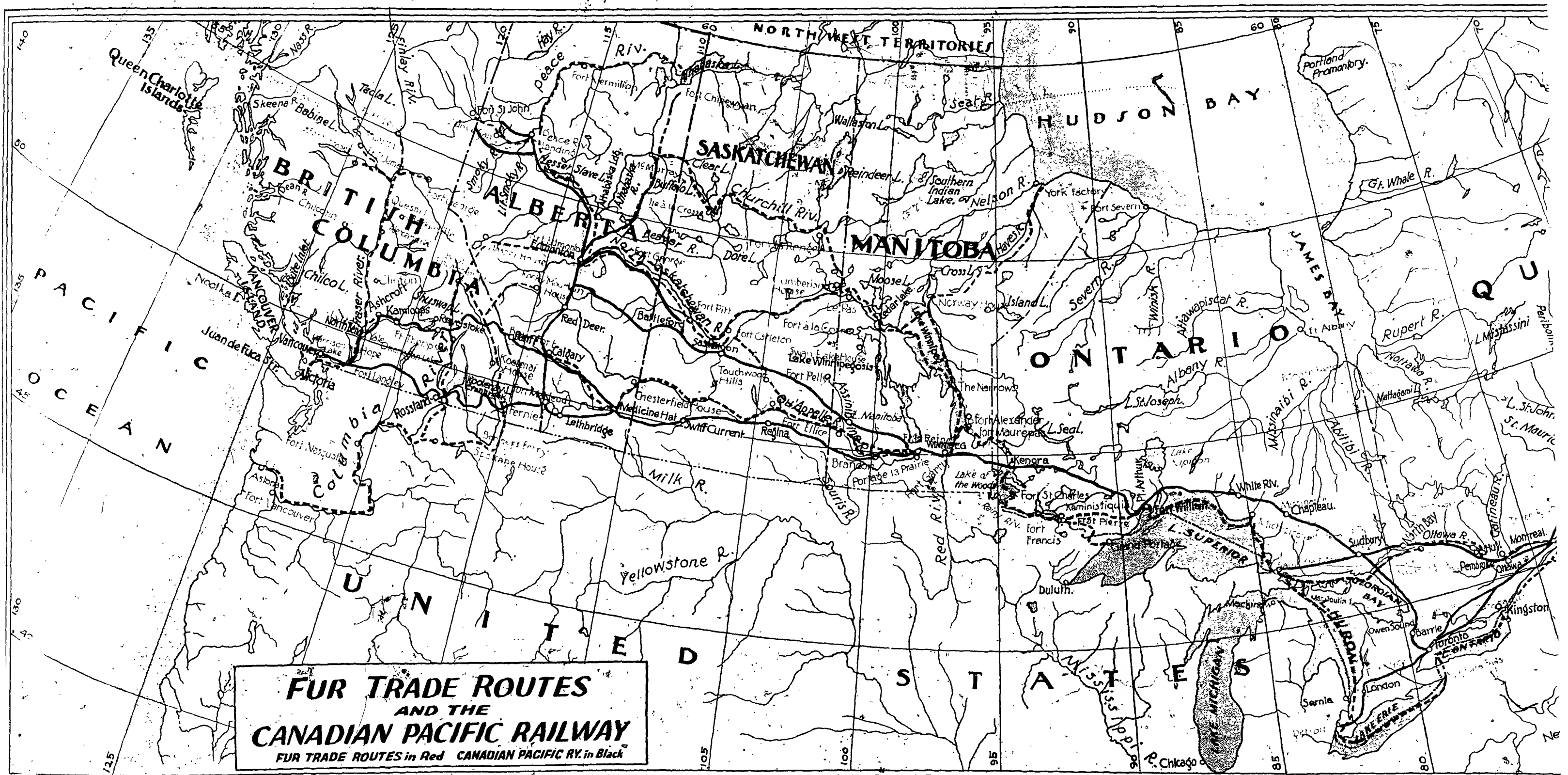
Upper Fort Garry

Courtesy of the Hudson's Bay Company.

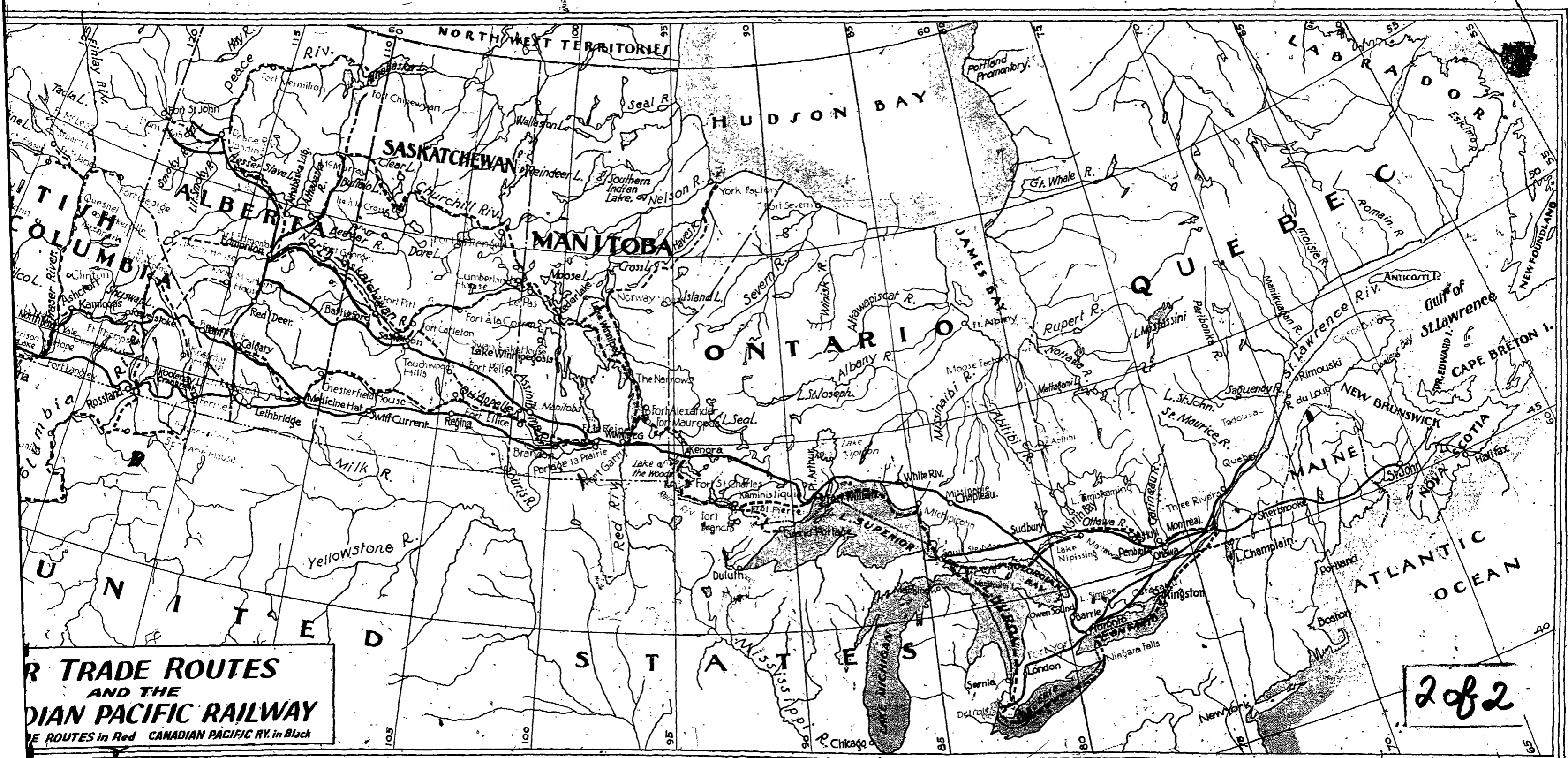
establish a branch there, after which he was made associate manager of the branch in New York. In 1864 he returned to Montreal as local manager, the year in which the outstanding stability of the bank was recognized by its securing the Canadian Government's account. R. B. Angus was particularly happy in making social contacts, a useful qualification in banking business. In 1869 he was appointed general manager, and as such came into particularly close association with George Stephen and Donald Smith, and thereby a few years later into the Canadian Pacific scene.



R. B. Angus in 1877



108



**R TRADE ROUTES
AND THE
CANADIAN PACIFIC RAILWAY**
TRADE ROUTES in Red CANADIAN PACIFIC RY. in Black



RAILWAYS AND EXPLORATION

RAILROAD construction had developed rapidly in the United States, the trackage in 1850 amounting to 9,021 miles and in 1860 to no less than 30,626 miles. When the Civil War broke out there were already nine American railroads connecting the Atlantic coast with the lakes and rivers west of the Alleghanies. A total of \$1,250,000,000 was invested in this method of transportation between 1830 and 1860, although the financial profits went mostly into the pockets of the promoters and charter-mongers. Most of this railway network was east of the Mississippi, the great artery of traffic between north and south in the middle west. By 1860 there were over a thousand steamboats on the Mississippi and Ohio Rivers. Such transportation facilities naturally gave impetus to settlement and commerce, and enabled the country to absorb the flood of incoming immigrants. Between 1830 and 1860 the white population of the United States increased from ten and a half million to almost twenty-seven million, nearly half of that population living west of the Alleghanies, and about four million being foreign born.

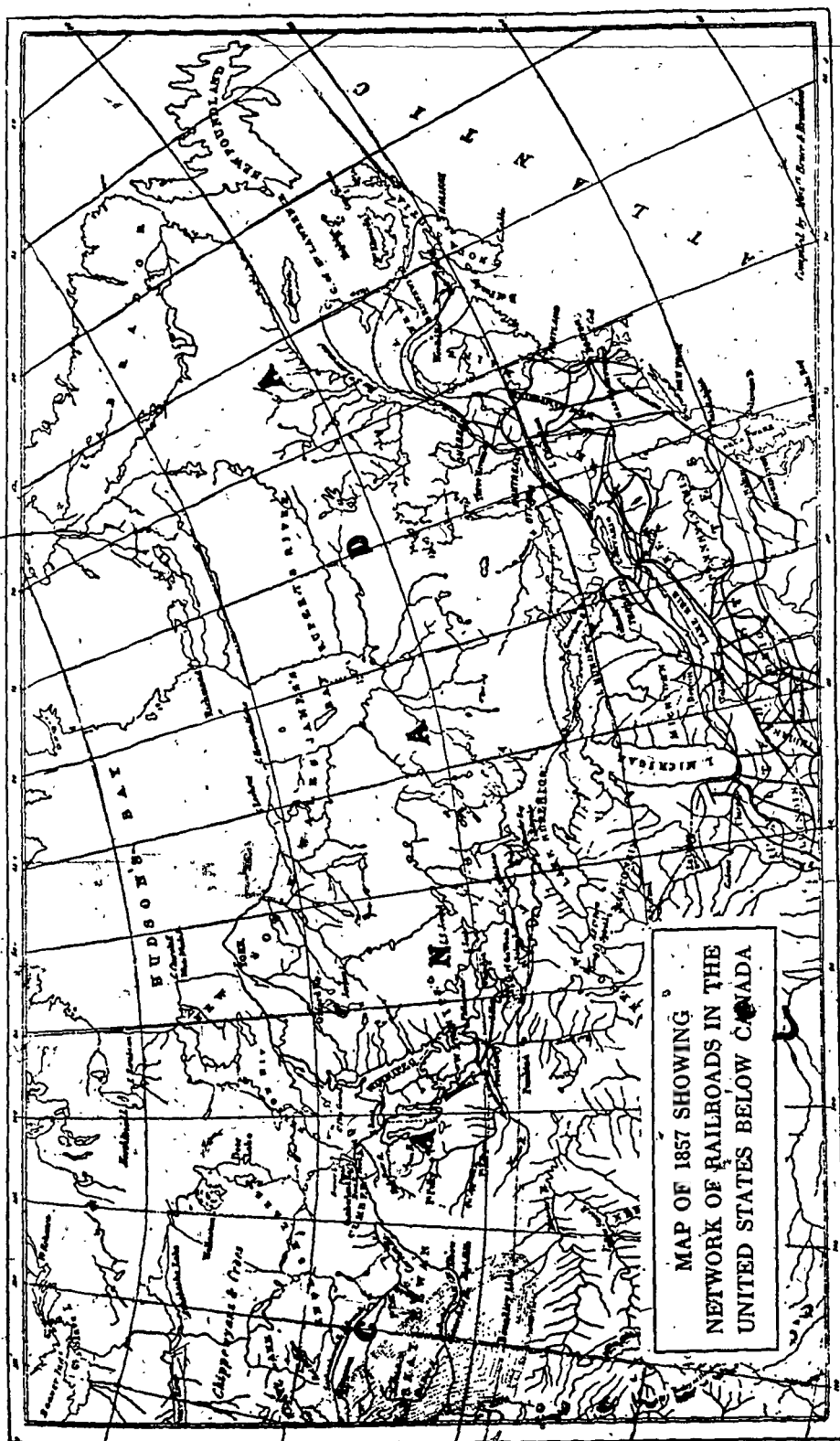
The Mississippi was for a time the virtual frontier on the west, but American ambition soon found expression in a demand for railroads to the Pacific coast. The lure of Cathay inspired Asa Whitney, a New York merchant dealing with the Orient, to carry on a vigorous propaganda for such a road, construction of which he undertook provided he received a subsidy of a strip of land sixty miles wide along the whole route. The lure of Cathay suggested to Thomas H. Benton, of St. Louis, the idea that on a peak near the Great Divide over the Rockies a gigantic granite statue of Columbus pointing towards India should be erected within sight of the railroad that must soon be built to the Pacific. Whitney was followed in 1853 by Josiah Perham,

proprietor of a money-making panorama of Niagara Falls and the St. Lawrence called the "Seven Mile Mirror," and successful promoter of cheap railroad excursions. His People's Pacific Railroad was to be financed by a million subscribers at a hundred dollars apiece, and eventually took shape in more practical form many years later as the Northern Pacific. The public interest created by such schemes brought the Pacific Railroad into a Presidential Message and induced the United States Government to grant one hundred and fifty thousand dollars for six surveys in this year. California started building, and a Pacific railroad committee considered evidence and issued a report to the House of Representatives on April 13, 1860, in which the majority advocated a route by Platte Valley from Council Bluffs or St. Joseph to San Francisco. A minority report from A. J. Hamilton, advocating a more southern route on the thirty-second parallel, had such effect that on June fourteenth a bill was introduced providing facilities for financing both routes, the latter being specifically entrusted to the Southern Pacific Railroad Company. The designation of this bill indicated its military character as it was described as

"A Bill to secure contracts and make provision for the safe, certain and more speedy transportation by railroad of mails, troops, munitions of war, military and naval stores between the Atlantic States and those of the Pacific, and for other purposes."

A third minority report by Cyrus Aldrich advocated the route of the Missouri and Columbia Rivers on the ground that this offered greater advantages for settlement and, moreover, was superior as a route for through traffic to the Orient. Such a northern railroad would "defer almost indefinitely a Continental route through the possessions of the British Crown." Aldrich proposed to make British Columbia tributary to this line, and to draw traffic from "the established and the remunerating mines" of that province.

None of the railroads considered by this committee were strictly continental in character, but were based on the Mississippi valley.



The outbreak of Civil War in April of the following year called a halt, but the desire to bring California into union with the North started the ball rolling again, and in 1862 a Pacific railroad bill was passed by Congress, the eastern terminus being fixed at Omaha by President Lincoln. A second act in 1864 increased the subsidy, but construction was slow at both ends of the line, though life in towns that moved along with the construction gangs was fast. Traffic for the new road was solicited in glowing advertisements, such as:

"Paris to Peking in Thirty Days—
Passengers for China this way!"

The Indians were hostile, and the rails were laid at the cost of many a scalp. General Dodge, the Chief Engineer, reported:

"Engineers reconnoitred, surveyed, located and built inside picket lines. Men marched to work at the tap of the drum. They stacked their arms on the dump, and were ready at a moment's warning to fall in and fight for their territory."

The race between the eastern gangs of the Union Pacific (called the Irish) and the western gangs of the Central Pacific (called the Chinese) started in earnest towards the end of 1867, as the subsidies for construction through the mountain rose to as high as ninety-six thousand dollars a mile. Twenty thousand men were employed by the two competing companies, and the race to meet became a front-page story in the newspapers. On May 10, 1869, the last golden spike was driven to the accompaniment of artillery in San Francisco, and bells ringing the Old Hundredth Psalm in New York, while Chicago witnessed a four-mile-long parade.

The western expansion of the United States opened up a new approach to the Red River settlement from the south, and an annual brigade of Red River carts went for supplies to St. Paul, Minnesota, a trading centre established in 1839 at the head of the navigable water of the Mississippi River. The traffic received a great impetus when the first steamship, the *Anson Northrup*, was placed on the Red River in 1859. This boat, according to Bishop Taché's *Sketch of the North West of America*,

"arrived unexpectedly in the centre of the Colony in the beginning of June, no one anticipating its coming. Its arrival was treated as quite an event, and, to the surprise of the public, cannon thundered and bells pealed forth chimes to signal rejoicing. The puffing of steam moving about on our river told the echoes of the desert that a new era for our country was being inaugurated. Each turn of the engine appeared to bring us nearer by so much to the civilized world. Herds of domestic animals unaccustomed to the noise took flight, thinking, I suppose, that they were being pursued by a larger animal than themselves, and men of great as well as small minds rushed in a crowd to see the new arrival which, however, was not a *chef d'oeuvre*. Children gave expression to their astonishment by declaring that they had seen an enormous barge, with a watermill on its stern, passing by.

"The arrival of the *Anson Northrup*, as a matter of fact, inaugurated a new era for the trade of Red River Colony. The honourable Hudson's Bay Company determined to try the river for some of their business. They procured a license to trade amongst the United States Indians, and acquired a considerable extent of land opposite on the mouth of River au Beuf, two hundred miles way from Fort Garry. At this place, where they thought the steamers could generally reach, they commenced an establishment to which they gave the name Georgetown, in honour of Sir George Simpson, then Governor of Rupert's Land, and who had warmly supported the new enterprise. Messrs. Burbank & Company, of St. Paul, established a stage line between Georgetown and St. Paul. In short, all was done that could have been done to launch us into civilized existence, such, at least, as is involved in the use of steam, or, failing it, of well harnessed horses."

J. C. and H. C. Burbank, of St. Paul, in their advertisement in the *Nor'Wester* of May 28, 1860, state:

"Owning the steamer '*Anson Northrup*' and a line of over one hundred transport wagons, which we shall run in connection with the boat, we can furnish the settlement with anything they desire to import upon better terms than is possible for any other house."

In the same newspaper, under date of June 15, 1861, is given the reason for changing her name from *Anson Northrup* to *Pioneer*:

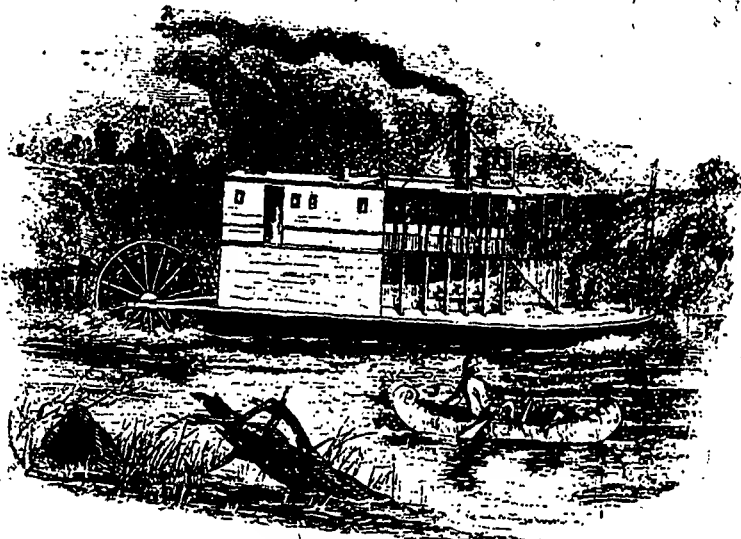
"On Tuesday afternoon, the 11th instant, our Red River steamboat made her first appearance this season at Fort Garry. There

has been a little more delay in getting her under way than was anticipated; still, she is quite in time enough to do all the work that will be required this summer, and that is, after all, the main consideration. The old name *Anson Northrup* has been abandoned for the *Pioneer*. The first name was in honour of the enterprising captain who transported in the winter of 1858-59 the materials for building her on the Red River and early in the Spring of 1859 brought her down, a real, live boat, to Fort Garry. It was but right his name should be duly honoured; that being done, we have now the *Pioneer* . . . a name indicative of her position and her mission."

Bishop Taché records the ultimate eclipse of the *Pioneer* by the more palatial Hudson's Bay Company's steamboat *International*:

"The success of this year naturally encouraged the proprietors of the little steamer which was loser by its triumph; it was now thought too small, too clumsy and not sufficiently fashionable for the magnificent Red River. In short, it was decided to discard it. The splendid *International*, with its pretentious motto, *Geminaverunt speciosa deserti*, came out of the Georgetown timber yards at a cost of \$20,200, and was launched in the Spring of 1862."

The *International* was the unnamed stern-wheeler that nearly



The *Anson Northrup*, first stern-wheeler on the Red River

swamped the canoe of Viscount Milton and Doctor Cheadle on the Red River stage of their *North West Passage by Land*. Originally published in 1865, this account of an adventurous trip went into nine editions. Their route took them over the prairies to Fort Edmonton, which in 1863, according to their story, boasted of

"a windmill, a blacksmith's forge, and carpenter's shop. The boats required for the annual voyage to York Factory in Hudson's Bay are built and mended here; carts, sleighs and harness made, and all appliances required for the Company's traffic between the different posts. Wheat grows luxuriantly, and potatoes and other roots flourish. . . . There are about thirty families living in the Fort, engaged in the service of the Company, and a large body of hunters are constantly employed in supplying the establishment with meat." (Quoted from Milton and Cheadle's book by permission of Cassell & Company.)

From Edmonton on they made an arduous crossing of the Rockies following on the trail of the overlanders by way of the Yellowhead Pass. Leaving the Yellowhead they struggled down the North Thompson River Valley to Kamloops, finding traces of the camps and casualties of the third party of the overlanders. Going on down the Fraser River and across the Straits to Victoria, they heard that in 1858 thirty thousand people had arrived within a few weeks during the gold rush, "waiting for the flooded Fraser to subside, and allow them to proceed to the diggings." Just as in California, the Chinese followed the gold trail and by this time were plying their various trades in Victoria. When Governor Douglas was succeeded by Governor A. E. Kennedy, in 1864, the Chinese residents at Victoria submitted an appropriate address:

"Us like this no charge place; see it will grow and grow higher to highest; can see a Canton will be in Victoria of this Pacific. The Maritime enterprises will add up wonderfully and come quick. China has silks, tea, rice and sugar. Here is lumber, coal, minerals and fish—an exhaustless supply which no other land can surpass."

Milton and Cheadle doubled back to the interior and to the diggings over the Cariboo Road, where they found a motley crowd:

"Men of every nationality—Englishmen, Irishmen and Scotchmen, Frenchmen, Italians and Germans, Yankees and niggers, Mexicans and South Sea Islanders. Fortunes were made by some in incredibly short time. In 1861 the whole of the Colonies of British Columbia and Vancouver Island were almost entirely supported by the gold obtained from Antler Creek alone; and from that time to the present year, or for four years in succession, Williams' Creek has also alone sustained more than 16,000 people, some of whom have left the country with large fortunes. And yet Williams' Creek is a mere narrow ravine, worked for little more than two miles of its length, and that in the roughest manner. . . . Dillon's claim gave the enormous amount of 102 lbs. of gold or nearly £2,000. in one day."

No wonder that the Red River settlers, who would be among the earliest to hear of the wealth of the Cariboo, commenced to clamour for a railway.

In the Preface to the first edition, Milton and Cheadle state:

"We have attempted to show that the original idea of the French Canadians was the right one, and that the true North-West Passage is by land, along the fertile belt of the Saskatchewan, leading through British Columbia to the splendid harbour of Esquimalt, and the great coal fields of Vancouver Island, which offer every advantage for the production and supply of a merchant fleet thence to India, China and Japan."

The volume concludes:

"Millions of money and hundreds of lives have been lost in the search for a North-West Passage by Sea. Discovered at last, it has proved useless. The North West Passage by Land is the real highway to the Pacific; and let us hope that as our countrymen gained the glory of the former brilliant achievement, valueless to commerce, so they may be the first to establish a railway across the continent of America, and reap the solid advantages which the realization of the old dream has failed to afford."

Walter Moberly, a Toronto engineer of English extraction who worked for two years on Sandford Fleming's railway, became interested in the Pacific coast through Paul Kane, a Toronto artist who had made an overland trip. Armed with a letter from Sir George Simpson to Governor Douglas, he sailed round Cape Horn

to Victoria, and after helping Colonel Moody to found the capital city afterwards known as New Westminster, tried his luck as a miner, exploring for coal and prospecting for gold.

From 1861 to 1864 he was roadbuilding, assisting on the Dewdney Trail west from Fort Hope, and directing construction of the Cariboo Wagon Road from Yale to Clinton. With various routes into the interior to choose from, Moberly was all for the Fraser Canyon route. He wrote:

"I strongly urged upon Sir James Douglas the construction of the Fraser River Road, as being the great natural and commercial artery of the country, and the probability of its becoming at some period in the future the line for a railway from Canada."—From *The Selkirk Range*, by A. O. Wheeler, Ottawa.

This was in direct opposition to the views of Captain Palliser, whom he had met at Victoria in the winter of 1859 and who declared that

"all hopes of obtaining a feasible line by which to construct a railway through British Columbia would have to be abandoned, as the Gold Range of the mountains, immediately to the west of the Columbia River, presented an unbroken and impassable barrier."

In 1865 Moberly was appointed assistant surveyor general of British Columbia, and as such had the opportunity of proving his theory. Continuing west of Kamloops to Shuswap Lake he made his romantic discovery of the Eagle River Pass over the Gold Range which Palliser had declared unsurmountable. In Moberly's own words (quoted in *Progress Report on the Canadian Pacific Railway Exploratory Survey—1872*):

"I arrived at the Eagle River and on the top of a tree near its mouth I saw a nest full of eaglets, and the two old birds on a limb of the same tree. I had nothing but a small revolver in the shape of firearms; this I discharged eight or ten times at the nest, but could not knock it down. The two old birds, after circling round the nest, flew up the valley of the river; it struck me then, if I followed them, I might find the wished-for pass. I explored the valley two or three weeks afterwards and, having been successful in finding a good pass, I thought the most appropriate name I could give it was the 'Eagle Pass.'"

In order to verify the eastern exit of this pass, Moberly crossed the range farther north from the head of Shuswap Lake over the watershed to the Columbia River at the western curve of the Big Bend. Here he shot the rapids known as the Little Dalles and landed at a camp ground near the present Revelstoke, on which he found an old blaze on a fir tree:

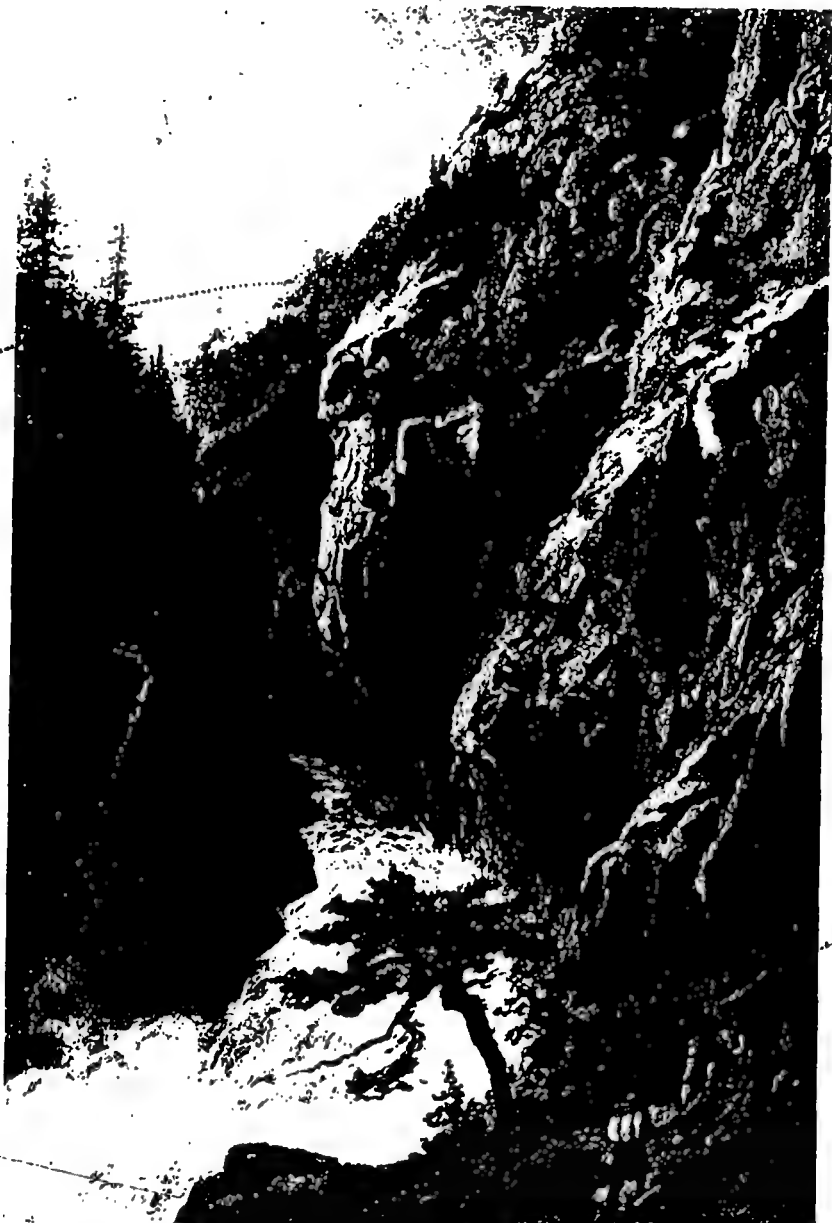
"In black figures, as clear as the day they were written, were latitude and longitude, signed with the name of David Thompson, astronomer and explorer for the Hudson's Bay Company, with the date A.D. 1828, I think. I have, unfortunately, lost my original note of this, but my latitude agreed with him; our longitudes were slightly different."

Ascending the mountains on the west side of the Columbia River, he saw the valley he hoped for.

"Before daylight, leaving my companions, who could not understand my hurry, to follow after me, I was off to the bottom of the valley, and, on reaching the stream, found the water flowing westward and a low valley to the eastward. I blazed a small cedar tree and wrote upon it: *This is the pass for the Overland Railway;* and then pushed eastward to the Columbia River, which we reached on the following day."—From *The Selkirk Range*.

Between the Gold Range and the Rockies there still rose the great barrier of the Selkirk Mountains. Moberly knew that this could be circumvented by going north and turning south again, following the Big Bend of the Columbia River. But opposite the eastern exit of the Eagle Pass there was a deep gorge through which the Illecillewaet River came tumbling down from the glaciers of the Selkirks, and this he decided to explore. Proceeding forty miles upstream, he found the river divided into two forks, of which he followed that coming from the north. This proved to be an impossible route, and as the season was too late for further exploration, he had to leave the southerly fork for another time or for Major A. B. Rogers, who in 1881 followed Moberly's directions and located the pass which bears his name.

Moberly had previously reported on December 18, 1865, to the Honourable Joseph Trutch, Chief Commissioner of Lands



From an engraving in *Picturesque Canada*.
Homathco Canyon, Bute Inlet.



From a painting by Paul Kane, 1845. - Courtesy
of the Royal Ontario Museum, Toronto.

Boat Encampment, Big Bend, Columbia River.



From an early photograph.

Yale, Head of Navigation on the Fraser River.

and Works and Surveyor General of the Crown Colony of British Columbia:

"There will be no difficulty in locating a line of road, at a low level, from the shores of the Pacific to Palliser's Vermillion pass through the Rocky Mountains."

Gold brought the upper reaches of the Columbia and the Kootenay Rivers once more into the limelight. While the Kootenay is a tributary of the Columbia, some prehistoric convulsion of nature threw up the Brisco Range between the headwaters of these two rivers and forced the Columbia to flow north from the Upper Columbia Lakes, while the Kootenay flowed south. Swinging round the Selkirk Range at the Big Bend, the Columbia turns south again and is rejoined again south of the International Boundary by the Kootenay.

Placer miners pushing north up the Kootenay from Idaho and Montana discovered gold on Wild Horse Creek in British Columbia in 1864, and as many as two thousand men were sluicing there in the following year. Then they crossed Canal Flats to the Columbia and there was a rush for gold said to have been found in the creeks tributary to the Big Bend. Two of those, namely, Gold and McCulloch, proved fairly profitable, but the chief value of this rush was that miners from the Cariboo blazing a trail over the Selkirks by way of Gold Creek, or daring death in the rapids of the Columbia, provided the map makers with a vivid conception of the sky-piercing peninsula of Alpine peaks intervening between Eagle Pass and the Kicking Horse River. David Thompson, it is true, had mapped the Columbia River from source to outlet early in the century, and Boat Encampment on the Big Bend was a regular stopping place for the fur brigades crossing the Rockies by the Athabaska Pass, but the mountains themselves were little known till the miners came in.



Crossing a ford



Walter Moberly
Discoverer of the Eagle Pass.

A map published by the British Columbia Government in 1874 gives a surprisingly good picture of the physiography of this wilderness of mountains with its deep trenched valleys and high plateaux.

A rival route to the Cariboo gold fields was developed by an Englishman named Alfred Waddington, who spent sixty thousand dollars on a road from the head of Bute Inlet up the Homathco or Humalhkok River which he claimed was one hundred and seventy-five miles shorter than the Fraser River route and passed through excellent agricultural country in the Chilcotin territory. The Chilcotins were Indians of fine physique, wore rings through their noses,

"were much painted, and wore the inevitable blanket of the Coast . . . some having a shirt without breeches, some breeches without a shirt."

Two of them, described by a traveller, Fred Whympere,

"were picturesque with their wolfskin robes, hair turned inwards, and the other side adorned with fringes of tails derived from marten or squirrel."

These Indians appear to have been embittered by the arrogance of some white men and by the ravages of smallpox introduced by the newcomers, so that Waddington's trail party of seventeen men was massacred on the night of April 29, 1864, with the exception of three who escaped. The murderers were eventually rounded up and some of them were hung. One of the remainder, known as Cultus Jim, lived to work for the Canadian Pacific survey parties. He was described as "a picturesque scoundrel, but an excellent pack-animal." Marcus Smith, who surveyed this route eight years later for the Canadian Pacific Railway, found the road builders' camp just as the Indians had left it:

"square patches of bark neatly laid marked the place of each tent, articles of clothing, a blacksmith's anvil and vice, a broken grindstone, bars of iron and steel, sledge hammers and various tools were scattered about; while against a tree, set up in an orderly manner, were half a dozen shovels ready for next morning's work."

Several mules belonging to the party were found still alive and healthy.

This route, however, presented great engineering difficulties, and involved the bridging of the Straits of Valdez Islands to Vancouver Island. The Homathco River rose to great heights in flood, and Waddington's bridges had been swept away. The river

"rushed out of the Canyon with deafening roar—in every direction were grey walls of rock, thousands of feet high, serrated and broken by dark chasms; above all rose peak after peak clothed in snow of dazzling brilliancy, and connected by curtains of glaciers out of which issued torrents that fell in cascades till lost as they descended into the gloomy chasms by which they found their way to the river."

The surveyors were in constant danger. Marcus Smith wrote:

"Once my mule fell with me from the ledge of a cliff into deep water, from which I narrowly escaped drowning; again while climbing a steep mountain side a mass of loose rock and earth began to move, carrying me down within fifty feet of the brink of a precipice 600 feet high."

(Quotations from Appendix E—*Progress Report on the Surveys for 1872 in British Columbia*.)

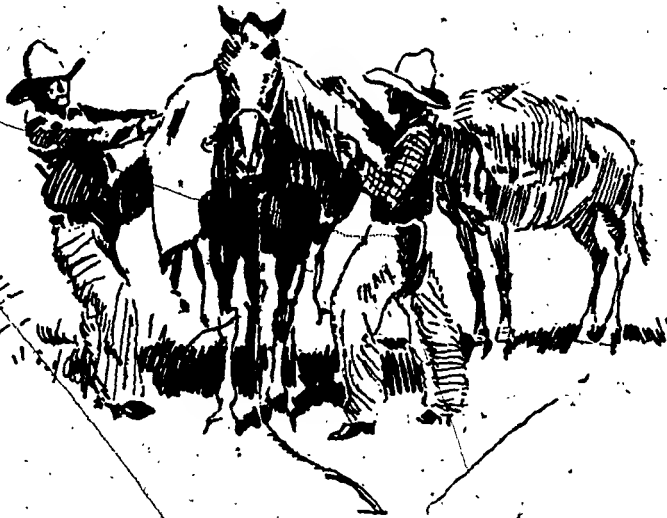
Alfred Waddington was not deterred by the catastrophe which for the time being barred further progress on his road, and became an ardent advocate of a transcontinental railway with Bute Inlet as the Pacific coast end. He read papers to the British Association and to the Royal Geographical Society, and published a brochure entitled *Overland Route Through British North America, or The Shortest and Speediest Road to the East*, in which he pointed out the danger of England losing her Oriental trade to the United States through the approaching completion of the Union Pacific Railroad which would

"connect with the splendid steamers already subsidized by the American Government and running between San Francisco, Japan, China and the Sandwich Islands."

Here was a commercial route which, unless constructed,

"will at the very onset throw the Chinese trade, and that of Japan, into the hands of the Americans. . . . Our communications with New Zealand and the Australian colonies displaced and thrown into foreign hands, and the general inroad into our commerce with the East will sound the first knell of England's decline."

Unable to secure financial support in England, Waddington succeeded in interesting American capital for his transcontinental railway—a handicap, as it proved, in his later negotiations at Ottawa. His arguments, however, seem to have left some impression, for his Yellowhead Pass-Bute Inlet route was the route to which most of the early efforts of the Engineer-in-Chief at Ottawa were directed.



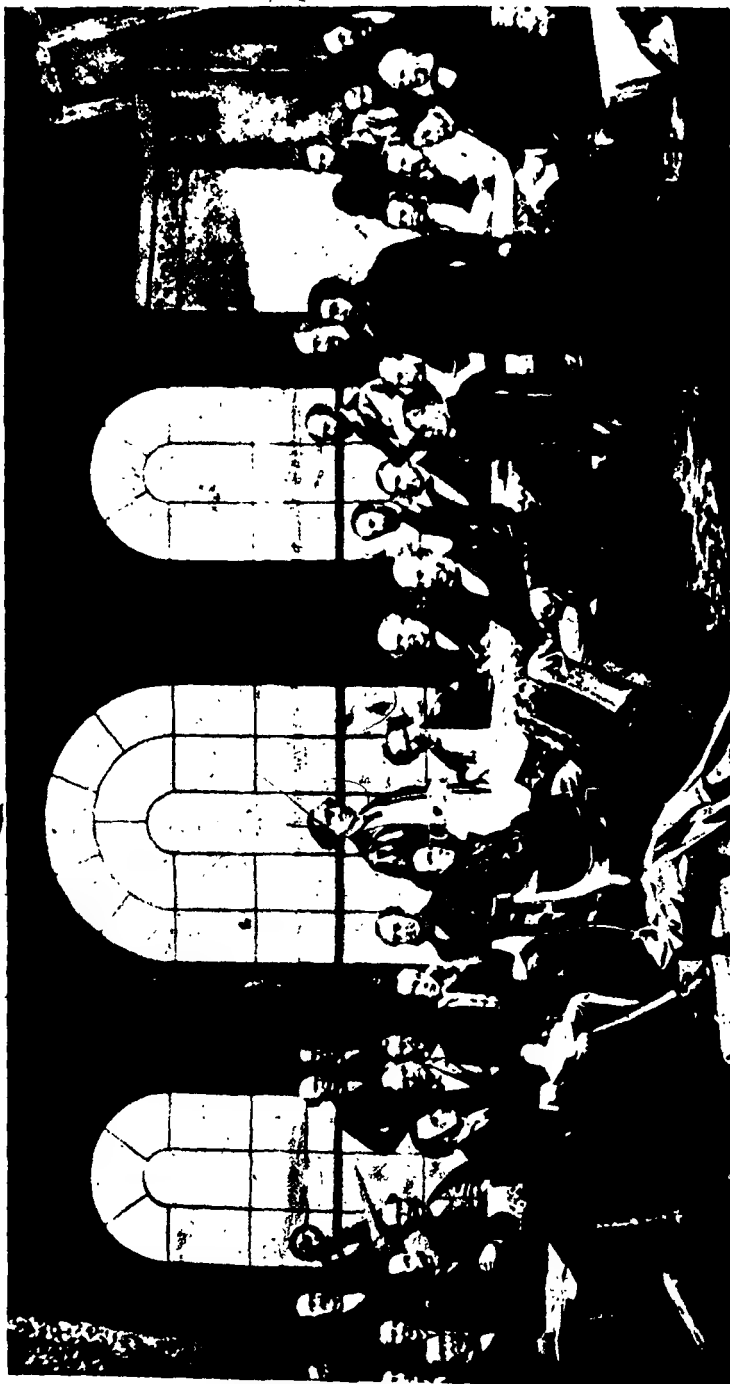
Surveyor's Packing Pony
Drawing by R. H. Palenske



Colonists Embarking at Liverpool for Canada—1870.



Colonists for Manitoba—1870.



From the painting by Robert Harris, R.C.A.

The Fathers of Confederation.

CONFEDERATION

SO FAR we have concerned ourselves with a westward current springing from impulses which in their origin can be traced to the lure of the wealth of Cathay. While there are many streams of human effort verging towards the Orient, our particular stream has narrowed down to an overland route across British North America. Now we are beginning to find our current of exploration for trade reinforced by another political current of more recent and local origin, but of overwhelming force and volume, pouring in turbulent flood over a rock-barred bed, and forcing itself through canyons of prejudice and self-interest into the course of overland direction which exploration for trade had developed with such toil and hardship over so many generations.

The physical obstacles of rock, forest and high mountain ranges which had to be overcome before any practical commercial use could be made of the overland route from Atlantic to Pacific were formidable enough to discourage any ordinary mortal. The ocean routes were so much easier, even though they did take longer. But equally formidable were the political obstacles standing in the way of a unified, comprehensive, self-supporting transportation system through communities which were divided into separate colonies and one powerful territorial company, all with divergent interests, walled against each other by tariffs, and governed by groups unwilling to release any vestige of power they had won.

The chief bond that these had in common was the tie with the mother country, and that was loosening with every generation, although the proximity of an aggressive and not always friendly nation to the south helped to make these colonies turn to each other for mutual protection. The sympathy with the mother

country was kept vital by the constant influx of immigration, including men and women who had been driven out by economic circumstance, but who still looked on their old land as home. Moreover the eastern provinces nursed the families of the United Empire Loyalists, children and grandchildren of those who had deliberately left position and often wealth in New England and Virginia to make new homes under the British flag.

There was a further racial obstacle to Union in the presence of a large population of settlers of French origin, particularly in the Province of Quebec, separated by conquest from their original country, and now naturally tempted to keep separate from their neighbours. Fortunately this obstacle had become less formidable for two reasons: *First*, that the earlier immigration from Great Britain after the Conquest had been so largely Scottish, and the Scots through the Auld Alliance or Ancient League with France were ready to fraternize with the French Canadians (as evidenced so clearly in the history of the Nor'westers). *Second*, that the liberal policy of the British Government allowing liberty of language and religion had reconciled all except the hot heads to the new régime.

But before the political obstacles standing in the way of common action could be overcome, leaders had to arise with ability to guide their fellows to the consciousness that union is strength. With that union a system of intercommunication was bound up, and the current of political opinion, added to the tide of commercial pressure, created a volume which helped to overcome the seemingly impossible physical obstacles.

The greatest of these leaders was John A. Macdonald, the immigrant Scot to whom the maintenance of the bond with the mother country was an eleventh commandment. Macdonald was one of the founders of the British American League organised in 1849 as an answer to the Annexation Manifesto following the Rebellion Losses Bill. Macdonald was minister of militia as well as prime minister at the time of the Fenian Raids of 1866, and was prompt to take action against what might be the precursor of further invasion. Ten thousand volunteers were called for:

"They must be out in twenty-four hours, and for three weeks and whatever further time may be required."

A diplomat, organiser and orator of the first order, John A. Macdonald came to be acknowledged by Canadians of all political parties as the outstanding statesman of his time. He was recognised by the British representatives as the ruling genius and spokesman at the final Westminster Palace Hotel Conference when the clauses to be incorporated in the British North America Act completing Confederation were being drafted.



Sir Charles Tupper
From a drawing by Henri Julien.
Courtesy of the Montreal Star.

Another of the leaders was Dr. Charles Tupper, Premier of Nova Scotia, whose great-grandfather came from New England in 1763 to take up land vacated by exiled Acadians. A believer in education, he forced compulsory education on his province, and a believer in Confederation he forced the Dominion on Nova Scotia in spite of the powerful eloquence of his opponent, Joseph Howe, whom John A. Macdonald eventually converted to the true faith.

A third of these was Georges Etienne Cartier, a French Canadian whose ancestors settled at Quebec in 1659. Born himself in 1814, he grew up to join *Les Fils de la Liberté*, a French nationalist society corresponding to the American Sons of Liberty, and to fight on Papineau's side in the Rebellion of 1837. At that time he was known as a poet and chansonnier, the Béranger of the French Canadians, the author of the words for their most popular song

"O Canada mon pays, mes amours"

This he sang for the first time at the inception of the Société de Saint-Jean Baptiste on June 24, 1834, in a garden which is now occupied by the head offices of the Canadian Pacific Railway at Montreal.



Sir Georges Etienne Cartier

Banished to the United States, Cartier returned under an amnesty and, resuming the profession of law, he was elected to Parliament in 1849. Three years before he had joined the campaign for railways and the deepening of the St. Lawrence Channel. He wrote the charter for the Grand Trunk Railway and served its interests as solicitor. In 1855 Cartier joined the MacNab-Taché ministry of which John A. Macdonald was also a member, and in 1857 the two joined forces in forming a government which with one short interregnum administered the affairs of Canada for five years, preparing the way for the great expansion. In 1864 Confederation became the major issue, and Cartier was instrumental in persuading John A. Macdonald to sink his differences with his political enemy, George Brown, so that all three could work together for Confederation under E. P. now Sir Etienne Taché as prime minister. Cartier's influence in the negotiations leading to Confederation were of inestimable value. Early in 1869 he helped to negotiate the final purchase of Rupert's Land from the Hudson's Bay Company, and in the following winter justified his selection as Minister of Militia in the Dominion Government by taking adequate means to suppress the Louis Riel Rebellion. After the first charter for the Canadian Pacific Railway had been successfully steered by him through the House of Commons at Ottawa in 1872, Cartier's exuberance was such that he sprang up and made his shortest but most historic speech—"All Aboard for the West!"

Samuel Leonard Tilley, who swung New Brunswick into Confederation was another United Empire Loyalist, descended from a great-grandfather who came to Saint John in the great immigration of 1783. Reciprocity with the United States had brought prosperity to New Brunswick fishermen since 1854, and the cancellation by Great Britain of the preference to Canadian lumber in 1860 hurt the forest industry, but the abrogation of the Recipro-

ity Treaty in 1866 helped to turn the balance. Tilley as provincial secretary had much to do with local railway building in his province, and was keenly interested in the Intercolonial Railway.

Alexander T. Galt, the fifth of these leaders, was a son of John Galt, the Scottish novelist who did so much for the settlement of Upper Canada as Secretary of the Canada Company. The son settled in Sherbrooke in 1835, and did similar work to that of his father in the Eastern Townships for the British American Land Company. Entering Parliament in 1849, he joined the Cartier-Macdonald Ministry in 1858 on condition that Confederation should be a plank in their platform. Galt anticipated in 1859 the national policy later adopted by John A. Macdonald of erecting a tariff against certain classes of imported goods, including British, in the endeavour to counteract the depression caused by the loss of Canadian Preference in England.

All these five were knighted for their services after Confederation was accomplished.

Two other names are notable in this movement, namely George Brown and D'Arcy McGee.

George Brown came to Canada in 1843 from Scotland by way of the United States, with a ready pen, a gift of eloquence and strong Liberal convictions. He pushed his gospel of reform through the columns of the *Toronto Globe*. At first he was the champion of Upper Canada as against Lower Canada, with a programme of representation by population, but when this subject of debate was overshadowed by the larger issue of Confederation, Brown's opinions broadened and he became an advocate of union between the provinces of British North America, supporting the Intercolonial Railway project and urging the purchase of Rupert's Land from the Hudson's Bay Company. His antagonism to that ancient institution was fired by correspondents in the Red River settlement. The final change



D'Arcy McGee



George Brown
Editor of the *Toronto Globe* at
the time of Confederation.

of heart came when the time was ripe for a Coalition (today it would be called National) Government, and after the furious controversies of preceding years it was not surprising that observers thought the political millennium had arrived. In a reminiscent address to the Canadian Club of Ottawa, Sir Richard Cartwright said:

"On that memorable afternoon when Mr. Brown, not without emotion, made his statement to a hushed and expectant House, and declared that he was about to ally himself with

Georges Cartier and his friends for the purpose of carrying out Confederation, I saw an excitable, elderly little French member rush across the floor, climb up on Mr. Brown, who as you remember, was of a stature approaching the gigantic, fling his arms about his neck and hang several seconds there suspended, to the visible consternation of Mr. Brown, and to the infinite joy of all beholders, pit, box and gallery included."

The two antagonists, Brown and Macdonald, stumped the country together for Confederation. As Macdonald afterwards wrote:

"We acted together, dined at public places together, played euchre in crossing the Atlantic, and went into Society in England together."

Thomas D'Arcy McGee also came to Canada from the United States where he had spent fifteen years in journalism. In 1858, a year after his arrival in Montreal, he entered Parliament, at first as a Liberal though he soon came under the sway of John A. Macdonald, and turned his Irish eloquence to the advocacy of Confederation. His rich-imagery captured the imagination of his audiences.

"I see in the not remote distance, one great nationality bound like the shield of Achilles, by the blue rim of ocean—I see it quartered

into many communities—each disposing of its internal affairs but all bound together by free institutions, free intercourse, and free commerce; I see within the round of that shield, the peaks of the Western mountains, and the crests of the Eastern waves—the winding Assiniboine, the five-fold lakes, the St. Lawrence, the Ottawa, the Saguenay, the St. John, and the Basin of Minas—by all these flowing waters, in all the valleys they fertilize, in all the cities they visit in their courses, I see a generation of industrious, contented, moral men, free in name and in fact—men capable of maintaining, in peace and in war, a constitution worthy of such a country.”

Of the three and a half million inhabitants shown in the first Dominion Census of 1871, over eight hundred forty-six thousand were of Irish extraction, and by political tradition these were the least likely of all the immigrants from the British Isles to be in sympathy with any movement that was not separatist. McGee's leadership, however, turned the Irish tide in favour of Confederation with, however, the tragic result that on April 6, 1888, he was shot by a Fenian.

D'Arcy McGee accompanied John A. Macdonald and George Brown to a conference at Charlottetown, Prince Edward Island, organised by Dr. Charles Tupper to discuss union between the Maritime Provinces, and thereafter went with them to a conference of the “Fathers of Confederation” at Quebec held under the chairmanship of Sir Etienne Taché, at which seventy-two resolutions were passed incorporating the main principles on which Confederation of the Maritime Provinces with Canada was ultimately established. While these resolutions were received with hostility in the Maritimes, they were confirmed by the Canadian Parliament, and a delegation consisting of John A. Macdonald, George Brown, Georges Etienne Cartier and A. T. Galt proceeded to London to confer with the British Government on the proposed Confederation, on the defence of Canada in case of war with the United States, on matters affecting reciprocity with the United States, and on the arrangements involved in the settlement of Rupert's Land, and the claims of the Hudson's Bay Company. A further conference was held in December, 1866, at the Westminster Palace Hotel at which resolutions based on those of the Quebec

Conference were passed, and finally in the following March a bill incorporating everything entitled the *British North America Act 1867* received the Royal assent, a Royal Proclamation being issued naming July first as the date on which Confederation should come into force.

The British North America Act created a new interest and sympathy in Great Britain for Canada. Disraeli, the Prime Minister, who in 1853 had written "those wretched colonies are a mill-stone round our necks," was now positively genial. Now that the American Civil War had ended in triumph for the North, the British Government realised that in supporting the South it had backed the wrong horse, and had become all the more nervous when in 1866 the United States cancelled the Reciprocity Treaty with Canada. The Fenian raids into Upper Canada had been repulsed by the local Canadian militia, but there were a million American soldiers trained in the Civil War, and there was much loose talk about employing them to bring the British Colonies in the north into the fold. Hence it was that when Joseph Howe came over from Nova Scotia to urge the repeal of the Act, he received cold comfort, and the Colonial Office commenced to encourage British Columbia to join the new Confederation, figuring that if, as proposed, the territories of the Hudson's Bay Company were transferred to the Dominion of Canada, the railway system would be extended across those territories to the Pacific coast, and a short direct military route would be available between England and the new Colony of Hong Kong on the coast of China. It was not forgotten that the recent war with China had been prolonged owing to the necessity of diverting troops in transit at Singapore for the suppression of the Indian Mutiny.

One of the conditions of Confederation under the British North America Act was that the Intercolonial Railway connecting the Maritime Provinces with Canada, which had been hanging fire for twenty years, should be forthwith constructed.

John A. Macdonald was the first premier of the New Dominion. In the first Parliament at Ottawa, provision was made for the building of the Intercolonial, and Sandford Fleming was instructed to prepare plans and specifications. Resolutions were passed

favouring the entrance of Rupert's Land and the Northwest Territories into Confederation.

In 1869 the governor in council was authorised by way of a loan to raise one million four hundred and sixty thousand dollars for the purpose of opening up a communication with, and of the settlement and administration of the government of the Northwest Territories. This has been described as the first step having a direct financial bearing on the construction of the Canadian Pacific Railway. Most of these funds were used for the construction of the Dawson Road, having in view also the location and construction of a railway from the head of Lake Superior to the Red River settlement. The surveyors were strictly instructed to keep in view the possibility of building a Canadian transcontinental railway.



Sir Samuel Leonard Tilley

RED RIVER EXPEDITION

CAPTAIN PALLISER's condemnation of a route between Lake Superior and the Red River settlement was disproved in practical fashion by another English officer, Colonel Garnet Wolseley, whose narrative of the Red River Expedition of 1870 in *Leaves from the Life of a Soldier* provides one of the most entertaining, though little read, chapters of Canadian history.

It was fortunate for Canada that no time had been lost on the initial work of a road from Lake Superior to the Red River settlement, as in the early winter of 1869 Fort Garry was seized, and an independent provisional government was proclaimed by Louis Riel, a French Canadian of Irish descent with some Indian blood on his mother's side. His first known forefather was a Reilly who came from Limerick early in the eighteenth century and frenchified his name when he married a Canadian girl at Isle du Pads. Taking advantage of the delay in transfer from the Hudson's Bay Company to the new Dominion of Canada, Louis Riel conceived the ambition of becoming a new Napoleon, and organised the Indians and his fellow half-breeds against the threatened encroachment on their privileges, relying also on the support of Irish Fenians in Minnesota. The emblems on the flag which he raised on December 10, 1869, included the fleur-de-lis and the harp and shamrock, and the secretary of his Council of Ten was a Fenian named O'Donaghue. This necessitated a military expedition in which the troops had to travel to the west in British territory.

Louis Riel was described by a correspondent of the *New York Herald* as

"about twenty-five years old, five feet seven inches in height, is inclined to corpulency, and has a dark complexion and small, black unsteady eyes. He has a fidgety manner when conversing,

and never looks his auditor in the face steadily . . . whenever any question of importance is laid before him, he postpones his decision until the following day, and in the meanwhile consults with the Jesuit priests."

The correspondent of the *Toronto Globe* described him as having a very small and fast receding forehead, also as being "a great proficient in cursing."

Secretary O'Donaghue is described by the *New York Herald* correspondent as

"an Irishman about thirty-eight years of age, has a good education, and is a man of marked ability. He has been educated by the Jesuits and was a teacher at their college at Red River, until selected for the important post of Secretary of the Council of Ten."

The *Toronto Globe* correspondent is less flattering and depicts O'Donaghue as

"fair-haired, closely shaven, with a crying, cunning way about him, strongly suggestive of Uriah Heep."

The Canadian Government had sent Colonel J. S. Dennis with surveyors to obtain plans and descriptions of farms so as to enable the new government to issue deeds to the occupants whose title in many cases consisted of a mere entry in the books of the Hudson's Bay Company. Outside the settlement no lands were to be granted for occupation till the aboriginal claimants to the title had been arranged with. As Colonel Dennis wrote to the *Toronto Globe* on January 12, 1870:

"This was explained to Louis Riel himself, who expressed himself as delighted to hear of the just and even liberal intentions of the Government towards the occupants of land, and left me, promising that he would take every opportunity of making these intentions known among the class mentioned. The next thing I heard of Mr. Riel was heading a party of men and stopping Mr. Webb's surveying party; and again on the Monday following this his making an inflammatory speech at the Church doors . . . asserting that the Government intended 'to take their farms from the French half-breeds and give them to Canadians.'"

The legislature of Minnesota had petitioned for the annexation



Donald A. Smith in 1871, afterwards Lord Strathcona

From a photo by Notman.

of the Red River settlement, and William McTavish, the sick Governor of Assiniboia, had written on December 25, 1869, to Donald Smith, now in charge of the Montreal Department of the Hudson's Bay Company at Montreal, though actually on his way to Fort Garry as Special Commissioner of the Canadian Government:

"I doubt not that this (annexation) will be its ultimate destiny—indeed, it is for the interest of settlers here that annexation should take place at once."

As the Honourable William McDougall, the Provisional Governor sent out from Canada, had been prevented by Riel's men from entering the settlement, John A. Macdonald appointed three commissioners to proceed to Fort Garry and deal with the problem on the spot. One of these was Donald A. Smith, whose name had been put forward by George Stephen with the suggestion that Smith might be accompanied by Colonel Garnet Wolseley. Macdonald wrote to Stephen that he thought Smith "a clever man" but that

"it never would have done for Colonel Wolseley to have gone with him. Smith goes to carry the olive branch, and were it known at Red River that he was accompanied by an officer high in rank in the military service, he would be looked upon as having the olive branch in one hand and a revolver in the other. . . . We must not make any indications of even thinking of a military force until peaceable means have been exhausted. Should these miserable half-breeds not disband, they must be put down, and then, so far as I can influence matters, I shall be very glad to give Col. Wolseley the chance of glory and the risk of a scalping knife."

—From *Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

The other two commissioners, the Very Reverend J. B. Thibault and Colonel de Salaberry, made no headway, but Donald Smith proved a better diplomat, and though for some time after his ar-

rival at Fort Garry he was a virtual prisoner under a guard of four half-breeds, two of whom slept across his bedroom door, he was permitted on January nineteenth, to state the case of the Canadian Government to a mass meeting of a thousand of the settlers. His statement, described in full in the *New Nation*, the newspaper of the insurgents, was delivered in the courtyard of Fort Garry when the thermometer registered twenty degrees below zero, and Louis Riel himself acted as interpreter. In the course of his statement, Smith made a personal appeal:

"On both sides I have a number of relations in this land (cheers) not merely Scotch cousins—but blood relations. Besides that, my wife and children are natives of Rupert's Land (cheers)."

The result was that forty representatives were elected who drew up a Bill of Rights to be guaranteed before this territory pass into Confederation. Paragraph 11 in this Bill of Rights read:

"That there shall be guaranteed uninterrupted steam communication to Lake Superior, within five years, and also the establishment by rail of a connection with the American railway as soon as it reaches the international line."

In the report of the Conference on this Bill of Rights, the *New Nation* of February eleventh stated that:

"Mr. Smith said in regard to this paragraph: He had seen private parties, including Mr. Hugh Allan and Messrs. King and Redpath, who were anxious to open up steam communication on the routes laid down in the Bill of Rights, and believed private enterprise would build both routes."

Dr. Charles Tupper accompanied Donald Smith on this mission in a semi-private capacity. Judging from the account in his *Political Reminiscences* it was a cold and adventurous trip. From Fort Abercrombie, the end of the stage line north from St. Paul, they drove in a canvas-covered sled along the forest-



Louis Riel in 1870

From a cartoon by J. W. Bengough in *Grip*.

Courtesy of T. Bengough.



Colonel Garnet Wolseley in 1870

fringed flats on the banks of the Red River.

"At night we pitched our camp in these forests. There was about a foot of snow on the ground. We cleared it off with a shovel, spread an india-rubber cloth, placed a mattress next, and covered ourselves with blankets and buffalo robes. We lay in the open air with our feet to a blazing fire, which greatly added to our comfort. . . . At Fort Abercrombie we obtained a pail of frozen

fresh milk, and, cutting it with an axe, placed pieces in the tea."—
From *Political Reminiscences of Sir Charles Tupper*, Constable and Company. Published in the United States by Funk & Wagnalls as *Recollections of Sixty Years*.

Tupper then went on with the thermometer at thirty degrees below zero, to find Fort Garry occupied by Louis Riel's men. His stay was brief but had considerable effect. Riel's following began to diminish, and on March fourth he made the fatal mistake of executing without adequate trial a young Canadian named Thomas Scott.

Realising that further negotiations with Riel were futile, Donald Smith left Fort Garry as soon as he could obtain a safe conduct, and hurried back to Ottawa with his report. John A. Macdonald, however, had already taken action. He was perturbed by the possibility of American intervention, confirmed by a letter from C. J. Brydges, manager of the Grand Trunk (January 25, 1870) that Governor Smith, President of the Northern Pacific Railway,

"made no secret of the fact that in their arrangements they were working in concert with certain parties at Washington—meaning, I presume, the Government—that they hope to carry the line so near the boundary that drop lines into the (Hudson's Bay) territory may be constructed, and thus injure, if not prevent, the construction of an independent line in British territory. There is no doubt whatever, from what he tells me, that the Government are assisting the Northern Pacific Company to go on with their work, in the hope that it will have an effect in maintaining the present attitude of Riel and his party. I am quite satisfied from

the way Smith talks to me that the United States Government at Washington are anxious to take advantage of the organization of the Northern Pacific Railway to prevent your getting the control for Canada of the Hudson's Bay Territory."

To this Macdonald replied three days later:

"It is quite evident to me not only from this conversation, but from advices from Washington that the United States Government are resolved to do all they can short of war to get possession of the Western territory, and we must take immediate and vigorous steps to counteract them. One of the first things to be done is to show unmistakably our resolve to build the Pacific Railway . . . it must be taken up by a body of capitalists and not constructed by the Government directly. Canada can promise most liberal grants of land in alternate blocks and may perhaps (but of this I cannot speak with any confidence) induce Parliament to add a small pecuniary subsidy. No time should be lost in this and I should think that we had made a great stride if we got you to take it up vigorously . . . the thing must not be allowed to sleep, and I want you to address yourself to it at once and work out a plan. Cartier and I will talk it over after conference with you and push it through.—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.



Half-breed and oxcart
From a drawing by Henri Julien.

Macdonald also read items such as the following which appeared in the *Montreal Star* of February twenty-first:

"Senator Pomeroy from the Committee of Public Lands has reported in favour of a land grant to St. Paul and Pacific Railroad Company to extend its line from its terminus on Red River north to the Winnipeg frontier. Senator Ramsay of Minnesota has assurances that Amsterdam capitalists will construct this road to Pembina as soon as the Northern Railroad can be built from Duluth to Red River, which will be in the course of a year. This measure will be supported on political grounds as the most tangible expression by this Government of sympathy with the struggles of the Winnipeg people for republican institutions, and as a checkmate to the Canadian scheme of the Pacific R. R."

On February second he received a cable from Sir John Rose, who was his intermediary in London, that the British Government agreed to co-operate in a military expedition, and Colonel Garnet Wolseley therefore got his chance. In acknowledging Sir John Rose's cable, Macdonald makes the interesting statement that the organisation of a Northwest Mounted Police Force was under consideration.

"The reason why I telegraphed for the organization of the Irish Constabulary is that we propose a Mounted Police Force—for Red River purposes."

Colonel Garnet Wolseley, commander of the Red River Expedition, came of a military family which claimed to have been in England before the Norman conquest. The threat of an American invasion of Canada resulted in the re-organization of Canadian defence, and Colonel Wolseley took an active part in the development of military schools, particularly a training camp for officers at Laprairie. His services in dealing with the Fenian Raids of 1866 resulted in his appointment as deputy quartermaster general in the following year, and when the first government of the Dominion agreed with the British Government to send a force to suppress Louis Riel, he was placed in charge. A correspondent of the *Montreal Star* describes him as

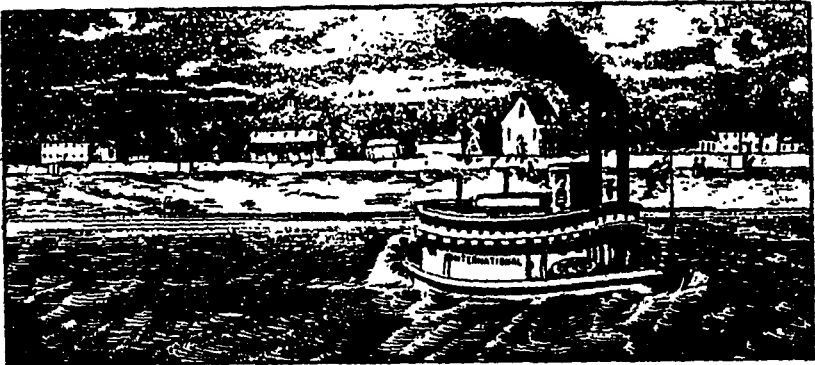
"about five feet, eight or nine inches in height; is of spare build—

and extremely quick and active in all his movements. His eyes are blue and very quick."

The expedition equipped to deal with the reputedly blood-thirsty army of Louis Riel, his Fenians, his half-breeds and his Indians, consisted of fourteen hundred men, including a battalion (the first Sixtieth Royal Rifles) of British regulars, and one small battalion each of Ontario and Quebec militia volunteers, supplemented by a party of Royal Artillery with some six and seven pounder rifle guns and another party of Royal Engineers. From the head of Lake Superior the route started at Prince Arthur's Landing (Port Arthur), a few miles east of Fort William, and except for an initial short cut by-road followed the route of the Nor'westers. The boats went up the Kaministiquia River hauled up at an angle of forty-five degrees over the mile-long portage at Kakabeka Falls. Fifty boats averaging thirty feet long with keels were used, some clinker-built and some carvel-built, and the brigade was strung out for a distance of one hundred and fifty miles from front to rear through the chain of lakes, rivers and portages through this wilderness of forest. The boats were given appropriate names such as *The Flying Dutchman* and *The Girl of the Period*.

S. J. Dawson, who had by this time completed thirty miles of the road he had surveyed from Thunder Bay, is described as an able and hardworking public servant, handicapped by the assistants sent him from Ottawa—"Some ne'er-do-well friends of politicians then in office." One of these questioned by Wolseley said his uncle had given him his billet in order that he might be taken at government expense to Manitoba, where he had a brother whom he wished to join. Wolseley says:

"It was wonderful how quickly the little Londoners of the Royal Rifles became good men in the boats and on the portages also. By the time they had made the trip to Fort Garry and back to Lake Superior, both officers and men of that corps had become good, many of them expert axemen, and all more or less skilled in the art of the voyageur. . . . During this expedition our officers carried barrels of pork and other loads as their men did over the portages."



S.S. International, at St. Boniface, Winnipeg, Man.

Captain Redvers Buller, afterwards a celebrated general, carried as much as three hundred pounds at a time, and one powerful Hudson's Bay Company guide walked without any apparent distress under a load of five hundred and twenty-eight pounds.

The only blood lost on the expedition was drawn by mosquitoes, sandflies and blackflies, and the only damage done was to the soldiers' uniforms,

"The seats of their trousers were in a disastrous condition, the best of them being patched with the rough sacking of the biscuit sacks, and the hands, arms, faces and necks of men and officers were as brown as those of the darkest coloured Ojibbewah. When bathing all ranks presented a magpie appearance, with head, neck and hands nearly black, in marked contrast with the white skin of their bodies. . . . No one ever fell sick. I was asked to have our senior doctor promoted when our expedition came to an end, but refused, because he had had nothing to do, there never having been any sick for him to cure. . . . How can I do justice to the cheery pluck, endurance and good humour of the rank and file of that brigade?"

The hostile Indians, a "peaceful, lazy and uninteresting race," were placated when Wolseley

"ordered the Chief and each man of his party to be supplied with a suit of clothes; one and all selected a frock coat of the finest cloth, such being the garment dearest to all these poor simple fellows, although the least suited to their daily mode of life."

The half-breeds of the Red River settlement were at first inclined to belittle Colonel Wolseley's Expeditionary Force. Isaac Cowie, in charge of the Hudson's Bay Company's fort at Qu'Appelle says in *The Company of Adventurers*, Ryerson Press:

"Even did they get to Red River, with the bursting shells, which they understood described a visible flight like a bird rising and falling in the air, 'Les Metis' declared old Poitras, 'are such expert shots that as the shells fly, before they can reach us we will fire at them like ducks and burst harmlessly in the air.' Anyhow, even should the Expedition overcome all other obstacles, 'Les Americains' (meaning Fenians with the collusion of the American authorities) will attack it with overwhelming force."

Shooting the rapids of the Winnipeg River (the one great thrill of the Expedition) they arrived at the Upper Stone Fort, twenty miles from Fort Garry. On the Winnipeg River Colonel Wolseley was caught up by Donald Smith, who had hurried after them in a light canoe so as to be in at the death.

"We rowed in three lines of boats up the river, one six pounder gun in the leading line, and all men ready for action at any movement. . . . As we passed the Indian camps, the occupants of every wigwag came bounding out to fire a salute in honour of the Great Queen's soldiers. When we reached the Stone Fort, the Union Jack was run up by the servants of the Hudson's Bay Company."

Next day they bivouacked six miles from Fort Garry and on the following morning, the twenty-fourth of August, landed in heavy rain at Point Douglas, two miles from the Fort, and marched through the mud to Fort Garry to find to their disappointment that there was to be no fighting after all but, that the terrible Louis Riel had skipped:

"His breakfast was still on the table, and the clothes and arms of himself and party were scattered about his room when we entered it, showing the suddenness and haste of his flight."*

The chief excitement on the trip was the news from Europe brought by letter that the French Army had been destroyed at

* Quotations from Field Marshal Wolseley's *Leaves from the Life of a Soldier* printed by kind permission of Viscountess Wolseley, Constable and Company, Ltd., London, and Charles Scribner's Sons, New York.

Sedan and that the Emperor Louis Napoleon had surrendered and was a prisoner in the German camp.

"The voyageurs wept to think of the former greatness of the land of their forefathers, and realized its then fallen and forlorn state."

The total cost of this bloodless victory, from the start of the expedition at Collingwood to the close at Fort Garry was five hundred thousand dollars . . .

"the cheapest operation ever carried out. . . . I attribute this economic result chiefly to the fact that it was planned and organized far away from all War Office influence and meddling."

Colonel Wolseley came to appreciate the qualities of the Canadian voyageurs, and when in later years he commanded the Nile Expedition for the relief of General Gordon at Khartoum, he sent for a corps of voyageurs whom he welcomed personally as "his Canadian friends," to handle the batteaux on the cataracts of that ancient river of Egypt. That incident inspired one of Dr. Henry Drummond's happiest poems—*Maxime Labelle—A Canadian Voyageur's Account of the Nile Expedition*, McClelland and Stewart.

"Victorial! She have beeg war, Eyp's de nam' de place—
An' neeger peep dat's leeve' im dere, got very black de face,
And so she's write Joseph Mercier, he's stop on Trois Rivières—
'Please come right off, an' bring wit' you t'ree honder voyageurs.

"I got de plaintee sojer, me, beeg feller six foot tall—
Dat's Englishman, an' Scotch also, don't wear no pant at all;
Of course de Irishman's de bes', raise all de row he can,
But nobody can pull batteau lak good Canadian man."

As a matter of fact, the French Canadians numbered less than one-third of this Voyageur Corps, the constitution of which was one hundred and fifty-six English-speaking Canadians, ninety-four French Canadians, seventy-seven Indians, twenty-seven Englishmen, ten Scots and eight Irish. Pending the arrival of Lieutenant Governor A. G. Archibald, who followed by canoe, the government was administered on behalf of the Hudson's Bay Company by Donald Smith.

THE FIRST PACIFIC RAILWAY

THE PURCHASE of Alaska by the United States in 1867 reminded the alert that the American eagle was still soaring over the Pacific and that the next lamb to be snapped up might be British Columbia. Vancouver and the mainland had been united under one government in the previous year, and the Canadians there started to work for Confederation. John A. Macdonald urged the Imperial Government to "put the screws on Vancouver Island" and send out a lieutenant governor primed with terms of union which would placate the opposition. Anthony Musgrove, the man selected, offered among other things the immediate commencement of a line of railway and the completion of a wagon road to Canada within three years after Confederation with the promise of not less than one million dollars a year to be spent on its construction. A delegation left Victoria for Ottawa, and on July 7, 1870, an agreement was made, the first clause of which read:

"The Government of the Dominion undertake to secure the commencement simultaneously, within two years from the date of the union, of the construction of a railway, from the Pacific towards the Rocky Mountains, and from such point as may be selected, east of the Rocky Mountains towards the Pacific, to connect the seaboard of British Columbia with the railway system of Canada; and further, to secure the completion of such railway within ten years from the date of such union."

Elections in the province returned a parliament pledged to ratify the terms. The Dominion Parliament also voted for their adoption so that British Columbia entered Confederation on July 20, 1871.

Joseph W. Trutch, Lieutenant Governor of British Columbia, head of the delegation sent to Ottawa to arrange terms, told Mac-

Ottawa

Dec. 9th 1872

My dear Macdonnell,

I am satisfied that Blake's appointment is a good one politically, as it is a good one from a Judicial point of view. Morris will do very well if he is not too nervous. I have

had the devil's own trouble about the Pacific Railway, but I think have now got it all right. I shall tell you particularly where we meet.

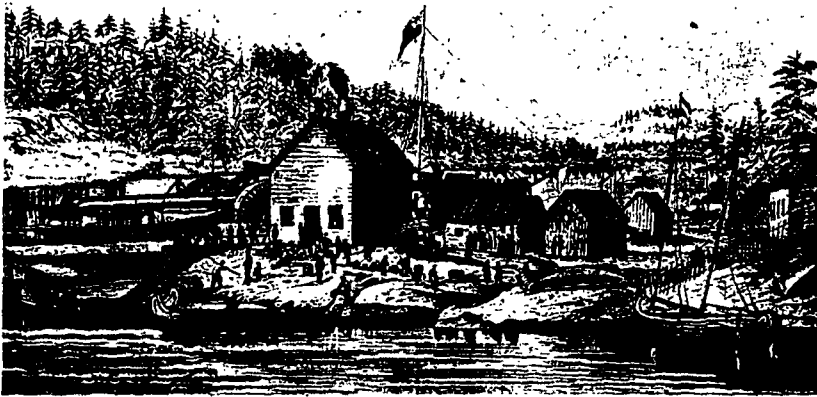
Believe me

Yours sincerely

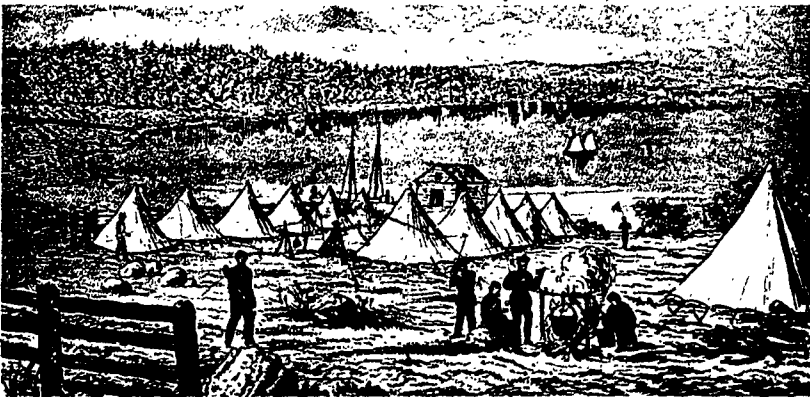
John Macdonnell



Winnipeg in 1872.



Lake Shebaunaning, Dawson Road.



Red River Expedition at Sault Ste. Marie.



Portage at Kakabeke Falls—Red River Expedition.

donald that the man who knew most about roads and possible routes through the mountains was Walter Moberly, now mining in the Mormon Country in Utah. A wire caught Moberly at Mountain City, from which he took an eighty mile ride without more rest than a change of horses to breakfast with Lieutenant Governor Trutch at Elko. A week later he was in Ottawa telling Sir John where to locate the C. P. R. "Of course I don't know how many millions you have," he told the Premier, "but it is going to cost you money to get through these canyons." He volunteered to leave at once for British Columbia so that the engineers could start out on the day that province joined Confederation. "And, by Gad, I did it too, though they wanted me to stay," said Moberly to Noel Robinson, his biographer.

The route Moberly favoured crossed the Rockies by Howse Pass, then round the Big Bend of the Columbia River, over the Eagle Pass and then by way of Shuswap Lake, the Thompson River and the Fraser River to Burrard Inlet. Howse Pass was traversed by David Thompson in 1807, but had been neglected by the fur traders in favour of the more difficult Athabaska Pass, on account of the hostility of the Piegan Indians.

Sandford Fleming was appointed engineer-in-chief of the Canadian Pacific Railway and organised a general survey on a comprehensive scale, detailing eight hundred men in twenty-one divisions. To co-operate with Moberly he sent Roderick McLennan, a former Intercolonial Railway Engineer, who had a predilection for his fellow Scots. In the following year Moberly took over one of McLennan's *compradores*, or head packers, bearing the unusual name of MacBrown. This individual came from the State of Maine, but, being an observing New Englander, had come to the conclusion that he would have a better chance of getting a job if he had "Mac" as a prefix to his name, so Brown became MacBrown and got the job.

Moberly located a practical railway route from Burrard Inlet to the Howse Pass as he had expected. McLennan succeeded also in locating a practical route by way of the North Thompson River, Albreda Lake and the Yellowhead Pass. Both parties were handicapped by fallen timber and heavy undergrowth, this con-

dition being particularly bad on the Big Bend and Selkirk Range where a weed known as the Devil's Club rears its vicious head. Racing against winter, these survey parties covered an amazing mileage with heroic disregard of hardship and danger. Moberly apologises for possible inaccuracy at one point due to derangement of his aneroid:

"This I attribute to a fall I had with my horse of about twenty feet. As I was riding along a steep bank, the soil gave way and we both rolled down into Blaeberry River, and as I fell against a tree the sudden jerk knocked the delicate hand of my barometer out of place."

On another night, he reports:

"I walked out on the single flats for a mile or two to enjoy the grand and magnificent scenery with which I was surrounded, but the unpleasant cry of a panther close to me was a hint that I had better get back to camp."

Making a difficult crossing on snowshoes over a six thousand foot high pass on the Selkirks in December and over the Eagle Pass in January, he realised the tremendous handicap created by snow conditions in the Selkirks where he found

"enormous avalanches had slid down with such force that in several instances the snow and ice of which they were composed was formed up the opposite side of the valley to a height of from 1000 to 2000 feet."

Returning to Victoria, Moberly rejoined the other engineers detailed to the Pacific slope surveys where the preparation of reports was in progress.

Victoria at this time was one of the polyglot cities of the world, according to the Reverend George M. Grant, who wrote in *Ocean to Ocean*:

"Its population is less than 5,000; but almost every nationality is represented. Greek fishermen, Kanaka sailors, Jewish and Scotch merchants, Chinese washermen, French, German and Yankee restaurant-keepers, English and Canadian officeholders and butchers, negro waiters and sweeps, Australian farmers and other

varieties of the race, rub against each other, apparently in the most friendly way. The sign-boards tell their own tale; 'Own Shing, washing and ironing;' 'Sam Hang,' ditto; 'Kwong Tai & Co., cigar store;' 'Magasin Francais;' 'Teutonic Hall, lager beer;' 'Scotch House;' 'Adelphic' and 'San Francisco' saloons; 'Oriental' and 'New England' restaurants; 'What Cheer Market,' and 'Play Me Off at Ten-pins,' are found within gunshot, interspersed with more common-place signs."

The smallest coin of the realm in the gold rush days was the twenty-five-cent piece. The Canadians who introduced the ten cent and five cent pieces were nicknamed the North American Chinamen.

In his covering report to the government for the surveys of the first year (1871), Sandford Fleming points out that by the routes discovered the Canadian Pacific, compared with the Union Pacific Railway, would shorten the passage between Liverpool and China by more than one thousand miles, and that in entering into competition for the through traffic between the two oceans, it would possess in a very high degree the essential elements of success. Jay Cooke endeavoured to throw cold water on this Canadian ambition to build a Canadian transcontinental by newspaper propaganda. The *Montreal Herald*, for instance, on October second, came out with a lengthy leading article, arguing that the Northern Pacific with its plans for extension into the Canadian Northwest covered the ground sufficiently, leaving no room for a third transcontinental. Macdonald, however, was made by this only the more determined to carry the project through.

In April of the following year (1872), Moberly got word from Sandford Fleming that the Dominion Government had decided to adopt the Yellowhead Pass farther north, that all his efforts were to be concentrated to complete the surveys of that line, and that his parties and supplies were to be moved to the new location. Some political hand was evidently putting in its finger, guided perhaps by the military policy which had moved up the Inter-colonial Railway to a safe distance from the International Boundary. The Yellowhead Pass undoubtedly showed a lower elevation than the passes farther south, but seeing that the government had not yet made up its mind as to whether Burrard Inlet and the

Lower Fraser Valley, or Bute Inlet farther north and the unknown country between that Inlet and the Yellowhead Pass should be chosen for the mountain division (although there was evidently a predisposition in favour of Bute Inlet), these orders meant considerable delay. They also added greatly to the cost, for Sandford Fleming, against Moberly's advice, had insisted on instrumental surveys being conducted from the outset, involving large parties, whereas time and money might have been saved by following the usual practice of preliminary explorations, with small parties.

Marcus Smith, a former engineer on the Intercolonial surveys, who had been appointed principal resident assistant engineer in British Columbia, arrived at Victoria a month later. He evidently read from his instructions that the Bute Inlet route was favoured, and personally led the exploration of the Homathco Canyons. Owing to rumours of friction between the Chilcopin Indians and Squatters in that territory, his expedition started under the escort of a gunboat, *H. M. Boxer*, as far as Waddington harbour, with the Lieutenant Governor in person to engage the Indians. The coast range was described by Captain George Vancouver, who saw it in 1792 as a "stupendous snowy barrier, thinly wooded, and rising abruptly from the sea to the clouds." Bute Inlet, according to Marcus Smith's *Progress Report*

"is about 45 miles long and between two to three miles broad . . . it pierces directly into the Cascade or Coast Range, between walls of granite rocks, bold and rugged in outline, rising into domes 3000 to 4000 feet in height and solitary snowcapped peaks, 5000 to 9000 feet high, connected by broken sierras, altogether forming a scene of gloomy grandeur probably not to be met with in any other part of the world . . . bold headlands rugged and steep, often terminating in rocky cliffs descending almost perpendicularly into the water . . . the first view of these might well cause one to despair of getting a railway constructed."

Marcus Smith underestimated the height of the mountains, for Mount Waddington to the north of Homathco Canyons has since been measured as 13,260 feet above sea level, with surrounding peaks ranging from 11,000 to 12,000 feet. In the covering report, Sandford Fleming admits:

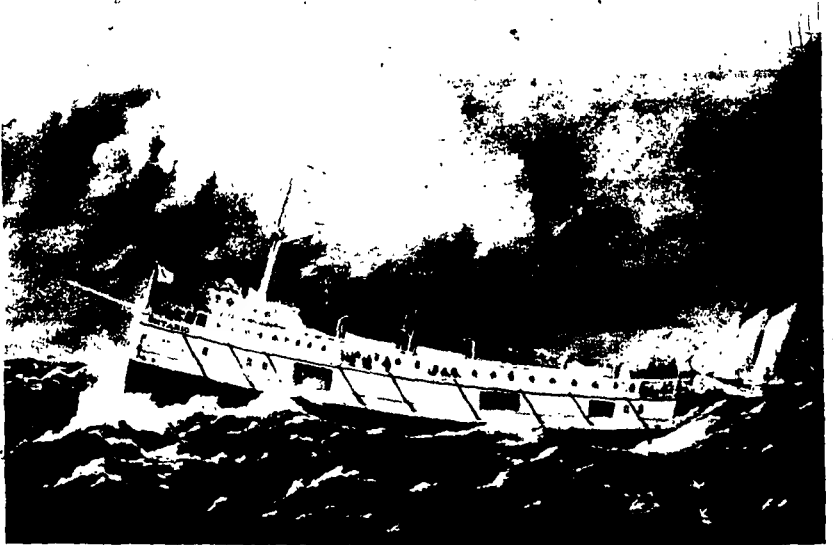


Physiographical Map of British Columbia (1874) Showing the formidable barrier of the Coast Range.



Photo by Edward W. D. Holway.

The barrier of the Cariboo Mountains Preventing a Direct Line from the Yellowhead Pass to Bute Inlet.



S. S. *Ontario* of the Beatty Line in 1872 Afterwards Taken Over for the Canadian Pacific Great Lakes Service.

"Ascending the Homathco for a distance of 15 miles through the great canyon, a continuous uniform gradient of 110 feet per mile would be required, involving works of excessively heavy character. . . . The descent from Lake Canim to the Thompson Valley is very difficult—taking everything into consideration, the works of construction on the eighty miles lying between Waddington Harbour and Vancouver Island would be of a most formidable character."

It was not till the end of 1876 that a possible railway track through the Homathco Canyons was located. J. H. E. Secretan, one of the surveyors, wrote:

"These Homathco Canyons were very difficult to negotiate, and many a time I was slung up with a line under my armpits laboriously trying to find room for the tripod of a transit on a narrow ledge of projecting rock often many hundred feet above the foaming, whirling white waters of the stream below."—From *Canada's Great Highway*, by J. H. E. Secretan, John Lane, the Bodley Head.

Officers of the British Admiralty condemned Bute Inlet as a terminal harbour.

The Burrard Inlet-Fraser River route is described by Sandford Fleming as having light gradients generally uniform and continuous, but with long stretches along the canyons of the Fraser and Lower Thompson presenting formidable difficulties and involving enormously heavy work.

The drawback to the Yellowhead Pass route as proposed was that it led to Kamloops, too far down the Thompson River to get a favourable line to the Chilcotin Plains above Bute Inlet. Marcus Smith suggested more surveys farther north, but these necessitated further delays. In his covering report, Sandford Fleming hinted that it might be well to consider the possibility of going as far north as Peace River.

Moberly, in the meanwhile, with amazing energy and organising skill, rearranged his survey parties so that they remained on the ground all the winter of 1872-73, thereby saving nearly five months. Moberly himself in the month of September, 1872, crossed the Yellowhead and returned to the Columbia by the arduous Athabaska Pass, crossing the latter pass again in October,

to supervise the actual surveys of the Yellowhead on October twenty-fourth. These continued till December, when fierce gales and cold of twenty to thirty degrees below zero stopped work. When the snow became too deep for horses, dog-teams brought up supplies to the winter camp. He reports to Fleming:

"We have not sustained any loss of life nor had any accidents, not a single pound of the supplies has been lost in transit, and out of nearly two hundred and fifty pack animals employed, only seven have died in all; nearly all the pack animals on this route travelled back and forth last season about twenty-seven hundred miles, and almost invariably averaged loads of three hundred pounds each. . . . Not a single quarrel has arisen, not a single article has been stolen, and without exception the most friendly feeling is now existing. The Indians have rendered us much and valuable assistance."

The chronicle of the packtrain included births as well as deaths. When Sandford Fleming was travelling between Moose Lake and Tête Jaune Cache, he saw the following inscription on a blazed tree:

"Birth

"Monday, 5th August, 1872

"This morning about 5:00 clock, 'Aunt Polly,' bell-mare to the Nth Thompson trail party's packtrain, was safely delivered of a Bay Colt, with three white legs and white star on forehead. This wonderful progeny of a C. P. R. survey's packtrain is in future to be known to the racing community of the Pacific Slope as Rocky Mountain Ned."

As regards the prairie region, the land was found to be well suited for colonisation, but the direct line between the Red River settlement and the Yellowhead Pass offered problems, as the rivers had eroded deep, wide troughs in their passage from the mountains to the sea. In order to avoid expensive bridging, a route had to be located entirely north of what the survey maps show as the true prairie region, and the line went up as far north as the fifty-third parallel.

In the woodland region north of Lake Superior, the survey parties were severely handicapped by forest fires in which one



Wasn't that a dainty dish to set before a king?
Blake (left) and Alexander Mackenzie (right) offer the Pacific scandal pie to Lord
Dufferin (Governor-General)

From a cartoon by J. W. Bengough in *Grip*.

Courtesy of T. Bengough.

party of seven men lost their lives. The treacherous surface of muskegs lay in wait for the unwary, and the forest was netted with fast flowing rivers. In the second year, twelve members of survey parties in this region were drowned. The plague of flies was beyond anything inflicted on the Egyptians. Provisions frequently ran short, owing to the difficulty in replenishing supplies of parties moving over nine hundred miles of untracked and often inaccessible territory. The casual organisation of the commissariat was severely criticised by the Royal Commission appointed in 1884 to investigate.

"Constant and repeated delays in provisioning one party" induced the Engineer to make a written complaint—in reply to which the Commissariat Officer wrote back stating "that if God spared his life, and the mosquitoes were not too bad, he would supply them better in future."

There was the additional handicap of the long severe winter of 1871-72. It was not till the end of 1872 that a possible line was located north of Lake Nipigon, but as this necessitated a branch line south to Fort William, it was admittedly not satisfactory. The prospect of completing the transcontinental at an early date grew more remote.

In the meanwhile things were happening at Ottawa which threatened to throw the whole project of the Canadian Pacific Railway into the scrap heap.

Early in 1871, John A. Macdonald had been invited by the Imperial Government to serve with the British Commissioners on a Joint High Commission with American plenipotentiaries at Washington, with the object of ironing out grievances existing between Great Britain and the United States, several of these grievances affecting Canada. The compromises to which Macdonald agreed weakened his position in Canada, but strengthened his influence with the Imperial Government. This agreed soon afterwards to guarantee two loans for the construction of the railways to which the Canadian Government had been committed by Confederation:

One—of one million one hundred thousand pounds in exchange for a previous guarantee of loan for fortifications no longer re-

quired on account of better relations with the United States,

Two—of two million five hundred thousand pounds as compensation for damage due to Fenian Raids in regard to which the British Commissioners did not press Canada's claims at the Washington Conference.

This, however, was not sufficient to build a transcontinental railway, the cost of which had been roughly estimated by Sandford Fleming as one hundred million dollars or twenty million pounds. The expense of other heavy responsibilities due to Confederation was already a burden difficult to meet. The cost of the mountain section was going to be enormous. It was therefore essential to get financial support from other sources, Parliament having already agreed that the railway should be built not by the government itself but by a state-aided company.

Sir Georges Cartier, during Macdonald's absence, had explained to Parliament that the government did not intend to build the railway themselves, but by means of companies that would have to be assisted principally by grants of one dollar lands. The land which British Columbia would contribute for this purpose was valued at one dollar an acre, which would amount to \$15,360,000. It was estimated that the length of the road to be built from Lake Nipissing to Victoria was about 2500 miles; twenty miles on each side of the road would give 64,000,000 acres to be used in aid of the line. About 600 or 700 miles of the line would be within the Province of Ontario; and he had reason to believe the government of that province would have the liberality to give them, not 20 on each side, but at least every alternate block on each side. That would be a contribution of about 9,000,000 acres. Lake Nipissing would be a junction where the lines both for Ottawa and Toronto could meet. The contribution of land itself would be almost enough to build the railway. If any money subsidy was to be given, the government would never go so far in that direction as to necessitate any increase of taxation.

The following resolution was passed by the House of Commons just before rising:

"Resolved, that the railway referred to in the address to Her

Majesty concerning the Union of British Columbia with Canada, adopted by this House on Saturday last, April instant, should be constructed and worked by private enterprise, and not by the Dominion Government; and that the public aid to be given to secure that undertaking, should consist of such subsidy in money, or other aid, not unduly pressing on the industry and resources of the Dominion, as the Parliament of Canada shall hereafter determine."

Two financial groups were bidding for the contract, one called the Canada Pacific Company, headed by Sir Hugh Allan (he was knighted now), and the other, the Inter-Oceanic Company, headed by D. L. Macpherson, of Toronto. Sir Hugh Allan's Company included among its provincial directors, the Honourable J. J. C. Abbott and the Honourable Donald A. Smith, who was by this time member for Selkirk in Manitoba. Sir Hugh by this time was more than a shipping magnate and had extensive banking, newspaper and railway interests, among the latter being the Northern Colonisation Railway with a charter to connect Montreal with Ottawa, and the North Shore Railway, designed to connect Montreal with Quebec. He was also associated with a project for building a railway from Montreal to Toronto in competition with the Grand Trunk which had recently threatened to challenge the Allan Line ~~on the Atlantic~~ with steamships of its own. While his Canadian associates were mostly Montreal men, it was generally supposed that he had friends in the United States who were prepared to join him in putting up money. This was one of the points in the contention of the Honourable D. L. Macpherson, who headed the opposing Inter-Oceanic Company. However, the Macpherson group was practically identified with the Grand Trunk which drew a large proportion of its traffic from the United States, so this was the pot calling the kettle black.

Allan's friends were identified with Jay Cooke and the Northern Pacific, whose interest was suspected as similar to that of the Greeks bearing gifts. Once they had secured an entry through the Trojan Horse of the Canadian Pacific, the Canadians themselves would be in the discard. Jay Cooke evidently had an eagle eye on Canada, for at this time he was also making overtures to



Pacific Railway Falconry:

Johnnie Macdonald: You's no the way to train a bird, mon. If ye dinna tak care, he'll fly awa'.

Alexander Mackenzie: Indeed, that's just what I'm wishing the noo.

From a cartoon by Henri Julien in *Canadian Illustrated News*—January 15, 1876.

the Manitoba Government for a railway charter connecting the Red River with the Pacific coast. Macdonald was a close personal friend of the Honourable D. L. Macpherson, who served him later as his Minister of the Interior, and could not throw him over entirely. Sir Hugh Allan was, therefore, told that the charter would be given only to a combination of the two groups, of which he might be president on condition that his American associates

withdraw from participation. The terms of subsidy consisted of thirty million dollars in cash and fifty million acres of land to be located in blocks not more than twenty miles in depth and not less than six with more than twelve miles in frontage to the railway, the proviso being that blocks of similar width should be reserved on the opposite side of the railway for the government, the upset price of which should average not less than two dollars and fifty cents an acre. The company could also reject lands offered which were not of the fair average quality of the land in the sections of the country best adapted for settlement. The company was obligated to complete a line from the Red River settlement to the boundary of the United States by December 31, 1874, from Red River to Lake Superior by December 31, 1876, and the whole line from Lake Nipissing to the Pacific coast by July 20, 1881. In order to smooth over the opposition between the Montreal and Toronto groups, Ontario was strongly represented on the board of directors, and as Sir John pointed out in a letter to Lord Dufferin, only one of the thirteen directors and shareholders was the nominee of Sir Hugh Allan, some of them being selected in spite of his strenuous opposition. Three of them had been incorporators of the Inter-Oceanic Company and two had been directors of that company.

The granting of this charter was fiercely opposed by the Liberal Opposition, led by Alexander Mackenzie, who said

"I believe that the bargain was an act of madness—of utter insanity, and an evidence of political incapacity that has had no parallel in this or in any other country, that I am aware of."

Although in accordance with the custom of the times Sir John was willing to draw on Sir Hugh Allan for campaign funds, he was not above taking a sly dig at his benefactor. The story goes that one evening when Sir Hugh was a guest at Earnscliffe, he was asked by Lady Macdonald to contribute to a church fund for which she was collecting. When Sir Hugh hesitated, "You can't take all your money when you die," she said. To which Sir John added, "It would soon melt if he did."

Previous to the General Election of 1872, the Conservative Party

had requested contributions from Sir Hugh Allan, to a much larger extent and with more blunt demands than Macdonald knew. He himself paid the expenses of the contest in his own constituency. Cartier, however, who was becoming irresponsible, owing to an incurable disease, appears to have been less fastidious. As Macdonald pointed out in his letter of defence addressed to the Governor-General, Lord Dufferin, the practice of applying for campaign funds to wealthy individuals was common practice, not unknown in England. He might have added that the politically recognised tariff in London for a knighthood was ten thousand pounds and for a baronetcy twenty-five thousand pounds duly contributed to the campaign funds of the party whip. He had information that Jay Cooke, deprived of the Allan connection, had transferred his affections to the opposition, for in a letter to Lord Lisgar dated September 2, 1872, he writes:

"I have reason to believe that the U. S. Northern Pacific Railway also subscribed largely in order to place Mr. Mackenzie at the head of the Government, as he would have handed over our Pacific Railway to them. This nefarious design has, however, been defeated. We are, I think, fixed in the saddle for the next five years."—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

But the publication of the correspondence between Cartier and Sir Hugh Allan after the contract had been allotted by the re-elected government provided a major political issue in Canada, and the Outs forced the appointment of a Royal Commission. The discussion which followed the report drew from the Opposition such fierce and damaging attacks, that Macdonald sent a hurried message to Donald Smith, who was out west, to come to his defence. Smith was associated with Sir Hugh Allan in a Rolling Stock Company and had agreed to serve on the board of Allan's Canada Pacific Company at Macdonald's request. His name appeared in Allan's published correspondence on account of his influence. George Brown, editor of the *Toronto Globe*, was down on the same list for an allotment of fifty thousand dollars and indignantly denied that he knew anything about it. Smith also expressed his indignation in a letter to Sir Stafford North-

cote, Governor of the Hudson's Bay Company, dated October 1873:

"Anyone is at liberty, I suppose, to put down anyone else's name for a sum of money in a memorandum, a last will and testament, or any other document; but if any inference can be drawn from this mention of a name in a letter of Sir Hugh Allan, I have only to say that I never heard of it, that had I heard I would have scorned such a proposal, and that the last thing in the world I would have dreamt of doing would be to accept a penny's worth of stock, without an open and avowed equivalent, from Sir Hugh Allan or any one else."

Macdonald, in accordance with current political morality, considered campaign contributions quite natural and had not questioned Smith, who, in any case, was busy on Hudson's Bay Company affairs out west. But when the Honourable Donald A. rose in his seat in the House of Commons to state his opinion of the situation, he surprised and stultified Macdonald and Tupper by closing a non-committal speech with the damning statement that he would gladly vote confidence—"If I could conscientiously do so."

Thrown over by the west, John A. Macdonald resigned, and the Liberals under Alexander Mackenzie came into power. The contract was cancelled, and the railway policy of the country "suffered a sea-change into something rich and strange"—namely, government construction and operation.

GOVERNMENT CONSTRUCTION

IN THE spring of 1871 Donald Smith went to London on behalf of the wintering partners to secure what they considered should be an adequate share of the three hundred thousand pounds which had been paid to the Hudson's Bay Company as recompense for relinquishing their governing rights. Hitherto they had not been even consulted, although they did most of the work. Returning with one hundred and seven thousand pounds for the traders and the title of chief commissioner in Canada for himself, Donald Smith inaugurated a new policy for the company of encouraging immigration, and selling or settling the land which the company retained under its bargain, with the British and Canadian Governments. While still in Labrador he had been in favour of such policy and wrote

"You will understand that I, as a Labrador man, cannot be expected to sympathize altogether with the prejudices against immigrants and railways entertained by many of the Western commissioned officers."

A notice was inserted this year in the *Official Gazette* that he and other associates would apply for a charter to build a railroad from Pembina to Fort Garry. Among the associates appears the name of George Stephen, who was becoming interested in railway enterprises through association with a firm manufacturing locomotives, the Canada Engine Company of Kingston. The Pembina-Fort Garry railway, as it happens, eventually became the first branch of the Canadian Pacific. Both in the Manitoba legislature and at Ottawa, Donald Smith was the champion of railway communication in and to the west.

Some of the immigration came by the Dawson Route. In 1872 there were steamers on several of the lakes, one of which had the

appropriate name, *Lady of the Lake*. These were available to tow barges of settlers with their belongings. At the portage beyond Baril, the Reverend G. M. Grant, who passed this way on his historic trip, *Ocean to Ocean*, refers to "the station-keeper, who



Father Lacombe

From the Statue at Mission Park,
St. Albert.

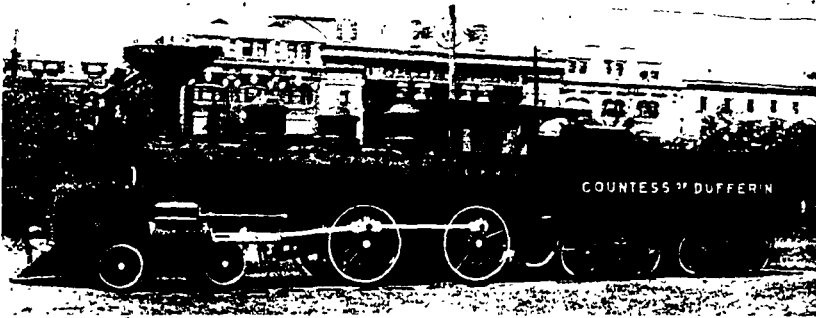
had a comfortable tent pitched for the emigrants, strewn with fragrant pine and spruce branches." More than a thousand settlers used this route in the years 1872 and 1873, and the government spent over one million three hundred thousand dollars in keeping it open pending the construction of a railway. The service, however, deteriorated and the so-called "government water route" became so unpopular that it was discontinued in 1876. One irate traveller stormed into Donald Smith's office at Winnipeg to complain that on a trip perilous alike to limb and baggage

"when I refused to take a paddle on one of the boats, an Ottawa Irishman told me to go to hell, and said that if I gave him any more back-chat, I could get off and walk to Winnipeg."

Archbishop Alexandre Antoninus Taché of St. Boniface encouraged the French Canadians to come and settle in the west, delegating Father Lacombe, an Oblate missionary celebrated as the Blackrobe Voyageur to undertake a campaign for colonisation. Several thousand families were brought out by him in the years 1875 to 1877, most of them making excellent settlers. When the government started work on the transcontinental railway east, south and west of Selkirk, Father Lacombe estimated that one-third of the labourers engaged on construction came from the French Canadian settlements in Manitoba. In order to avoid the disorders which had characterised railway construction camps in



Stagecoach on Cariboo Trail.



First Locomotive on the Canadian Pacific Railway.



From a painting by E. L. Henry, N.A.
—Courtesy of Col. G. S. Cantile.

Station "Northcote" on the St. Paul, Minneapolis and Manitoba
Railroad—1881.



From a drawing by L. P. O'Brien.

Sailing Ship at Port Moody, with Rails for the C. P. R.

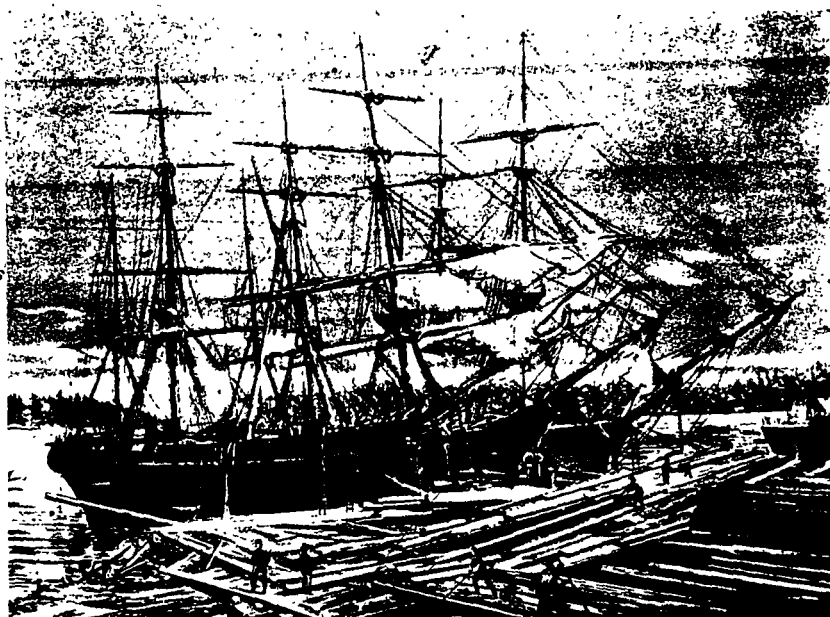


Photo by D. Withrow.

Sailing Ships on Burrard Inlet.

the United States, Father Lacombe was appointed chaplain, and by his magnetic preaching and example exercised a wonderful influence. The larger volume of immigration came into Manitoba by way of St. Paul, Minnesota, and here Donald Smith found a useful ally in James J. Hill, whose business involved frequent visits to the growing town of Winnipeg.

In a snowstorm on his way south from Fort Garry to St. Paul, as he was hurrying to Ottawa with his report on Louis Riel, Donald Smith first met Jim Hill, with whom he was eight years later to take over from the Dutch bondholders the St. Paul and Pacific Railroad, and ten years later to be associated with in the promotion of the Canadian Pacific Railway as a private company. They were travelling in opposite directions by dog team, and according to Hill's biographer, J. G. Pyle (Doubleday, Page),

"stopped, made themselves known to each other and interchanged the courtesies of the frontier."

Born in a log house on the Canada Company's lands in the year 1838, Jim Hill worked in a grocery store at Guelph till at the age of eighteen he went to New York planning to ship as a sailor, and thus get to Calcutta. Disappointed in this, he conceived the plan of working his way to the Pacific coast by way of the Red River, but reached St. Paul to find the last brigade for the north had already gone. He therefore took a job as clerk in the shipping office of a Mississippi steamboat company, dreaming all the while of the day when he himself could run a line of steamboats on the Ganges. Here he was found two years later by Henry Beatty, another young Canadian, who spent a year in a hardware store at St. Paul before making the greater venture to California. These two struck up a friendship which brought them together again in later years.

In 1863 we find Jim Hill as agent of the Northwestern Packet Company, of the Milwaukee and Prairie du Chien Railway and of the Illinois Central Railway, and in the following year as Agent of the St. Paul and Pacific Railway connecting St. Paul with St. Anthony, the future Minneapolis. About this time he became connected with Norman W. Kittson, also Canadian born.

Norman W. Kittson was born at Chambly, in Quebec Province, and could boast of a grandmother who was married first to an officer who served under Wolfe at Quebec and then to Alexander Henry, explorer and fur trader. He himself traded with the Indians in Wisconsin and Minnesota for John Jacob Astor's American Fur Company, and then in 1843 began a business with a partner on the Red River, establishing a post at Pembina in rivalry with the Hudson's Bay Company. His trading activities with the fur traders in the Red River settlement and with the Indians were less profitable than his real-estate investments in St. Paul. The Red River Transportation Company, which he established in 1860, led to his appointment by the Hudson's Bay Company as its general purchasing and forwarding agent at St. Paul.

In 1867 Jim Hill started out in business for himself as agent and factor for these free traders in fur. As he himself has said of this business:

"I took over the representation of the outside parties—the outside traders and the different Church Societies and persons other than the Hudson's Bay Company living in the Red River Settlement at the time. I received their furs and skins and sold them for them; received their merchandise or anything they wished to buy; acted for them as their factor and agent."

The varied character of his commission can be realised from one order received from a clergyman for:

"two cases gin, one cask sugar, two tuning forks, and one copy each of the works of Tennyson and Longfellow."

His practical interest in the settlement is evidenced by a personal contribution of two hundred dollars to distressed settlers following the crop failure of 1868, due to a plague of locusts.

These business connections naturally gave him a keen interest in the con-



Norman W. Kittson

troversy which resulted in the transfer of the Hudson's Bay Company's domain over Rupert's Land to the newly constituted Dominion of Canada.

Hill was also not blind to the Report on Pacific Railways, presented by a committee of the American Senate, which stated that



James J. Hill

"the opening by us first of a Northern Pacific Railway seals the destiny of the British possessions west of the ninety-first meridian. They will become so Americanized in interests and feelings that they will be in effect severed from the new Dominion, and the question of their annexation will be but a question of time."

Hill had no particular love for the promoters of the Northern Pacific, and was shortly to come in sharp conflict with them over the control of the St. Paul and Pacific Railroad, the nucleus of the system which he eventually built up into the Great Northern.

In advertising a Gold Loan, the Northern Pacific had claimed as its future business

"The entire trade of the important British settlements occupying the rich valleys of the Red and Saskatchewan Rivers, the Winnipeg Basin, and the fertile plains of British Columbia on the Pacific slope.

"By this Road Liverpool and New York will be brought 1400 miles nearer than now to the ports of China and Japan. It will be the only transcontinental line under one control.

"Branch lines or feeders will be built from the Trunk road, northward and southward, so as to drain the entire region north of latitude 42° and render future construction of additional east and west lines within that belt unnecessary."

Hill's business had developed the transportation of a large amount of freight by team to the Red River, and then by flatboats which he replaced in 1871 by a steamboat, the *Selkirk*, plying to and from Fort Abercrombie. On one of his visits he was an eye-

witness of a Fenian raid on the Hudson's Bay Company's fort at Pembina, conducted by "Generals" Curley, O'Neill, Donelly and O'Donoghue, leading a half-naked squad of "about twenty of the hardest looking roughs and ten Pembina loafers." They were surprised and captured by a detachment of American soldiers under Colonel Wheaton with twenty-three men, an army ambulance and a four-mule wagon.

In 1872 Jim Hill and Norman W. Kittson joined forces in the Red River Transportation Line. At this time the tendency of colonists was to go north rather than west of St. Paul, as the Red River settlers had proved the land there fertile, whereas the American Government surveyors had reported in thirteen volumes that the western areas of the United States on this side of the Rockies were little better than a desert. The panic of 1873 bankrupted the St. Paul and Pacific Railroad, and Hill sat waiting for a suitable moment to buy up the frightened Dutch bondholders, so that he could build with Canadian assistance the extension to the Canadian boundary which originally had been planned to help Louis Riel.

This was the year of the "Pacific Scandal" in Canada, culminating in the resignation of John A. Macdonald and the access to power of a Liberal Government under Alexander Mackenzie. Like his more celebrated namesake, the explorer, Alexander Mackenzie, the second, came to Canada from Scotland, but unlike that namesake he was slow to action. The Canadian Pacific enterprise seemed to him a white elephant, and he would have gladly cancelled the obligation of completing it forced upon the Dominion by the terms under which British Columbia entered Confederation. He was in favour of using waterways as far as possible, constructing railways only when settlement was sufficient to make them profitable. Giving evidence before the Royal Commission which investigated the cost of surveys and construction under his own régime, he stated that

"the policy of the Government looked to the possibility of the road east of Thunder Bay not being constructed for many years, and to use the water as a means of communication between the Ontario System of railways and Fort William, and possibly to use the



British Columbia in a pet

From a cartoon by Henri Julien in *Canadian Illustrated News*.

small lakes in the interior also of the country for a term."

He did, however, recognise the obligation to the west and to British Columbia, and in the first year of his administration he had a measure passed allotting two and a half million pounds sterling of the loan guaranteed by Great Britain following the Washington Treaty towards the cost of the Canadian Pacific Railway, and a loan was authorised

"for the purpose of construction of the Canadian Pacific Railway and the improvement and enlargement of the Canadian canals, of a sum of money not exceeding eight million pounds sterling."

It was announced that construction would proceed as rapidly as could be accomplished without further raising the rate of taxation. British Columbia interpreted this as a repudiation of the terms of Union, but eventually Lord Carnarvon, British Colonial Secretary, arranged an adjustment of those terms, which promised a railway on Vancouver Island from Esquimalt to Nanaimo as soon as possible, the earliest location of the main transcontinental line, construction of a wagon road and telegraph line along the route of the railway in British Columbia; expenditure of at least two million dollars annually on railway construction as soon as surveys were completed, and last but not least, extension of completion of construction to December 31, 1890. At first Mackenzie endeavoured to secure a successor to Sir Hugh Allan's Company, offering a subsidy of ten thousand dollars and twenty thousand acres of land per mile constructed. As the routes under consideration from Lake Nipissing to the Pacific Coast all exceeded two thousand five hundred miles, this meant an offer of at least twenty-five million dollars in cash and fifty million acres of land. Owing to lack of offers the cash offer was raised to thirty million dollars, with a guarantee of four per cent on any sum expended above that amount. Still there were no offers, so the government itself decided to construct the railway under the Department of Public Works.

The first sod on the main line of the Canadian Pacific Railway was turned on the left bank of the Kaministiquia River about four miles from its mouth on June 1, 1875, and the *Toronto Globe*, which had looked daggers at the undertaking when John A. Macdonald was its father, grew almost lyrical in its enthusiasm now that it was to be publicly owned and operated by Alexander Mackenzie's Government.

"Upwards of five hundred ladies and gentlemen were assembled to witness the event. . . . After being liberally entertained by the spirited contractors, Messrs. Sefton, Cochrane, Ward & Company, they proceeded to the place selected for breaking ground on Lot — on Water Street, in the town plot of Fort William where, a platform being erected, Judge Van Norman was called upon to preside."

The patriotic speeches which the *Globe* quoted *in extenso* included one from Mr. Adam Oliver, Member of the Local Legislature for the County of Oxford, who said, in the course of his eloquence:

"Allow me to refer for your observation to yonder pile of 500 wheelbarrows, a little further on you can see 1,000 shovels ready for use [cheers]. Looking still further up the line you can see hundreds of men grubbing and clearing the way, while the magnificent wharf along the side of the river is rapidly approaching completion. . . . In a few years you will see this magnificent river and bay dotted over with the flags of all nations floating at masts, called hither to convey the products of the West in ships to all parts of the world [cheers]. . . . Here we have some of the best, most fertile valleys along these rivers to be found on the continent. . . . Here the grasshopper never finds his way; the chintzbug and the potato beetle are not known in this land."

Mackenzie, who certainly had the excuse of hard times for his lack of enthusiasm, found in Sandford Fleming an engineer after his own heart, and would have been perfectly content to see all the government money earmarked for the railway continue to be spent on explorations and surveys without any commitments for construction. Donald Smith, however, as Member of Parliament for Selkirk and no longer the friend of Macdonald, had to be conciliated; so on August 31, 1874, a contract was let for the construction of a branch running south from Selkirk to the International Boundary, eighty-three miles distant, and on April 3, 1875, two contracts were let, one for grading and bridging from Selkirk east to Cross Lake, in the direction of Fort William, and one from Fort William northwest to Lake Shebandowan, forty-five miles along the old Dawson Road. Mackenzie had the idea that by taking advantage of the water stretches, there would be less railway to build, and two hundred thousand dollars was thrown away by inexperienced engineers on a useless canal on Rainy River. The first contract let for a telegraph line was from Winnipeg to Selkirk, where Donald Smith lived at "Silver Heights." A telegraph line along the proposed route of the railway was contracted for between Red River and Edmonton, and

within a year was in operation as far as Battleford. A contract was let for a telegraph line in February, 1875, linking Red River with Fort William. The Royal Northwest Mounted Police, established and enrolled in the last months of Macdonald's administration, received authority to double their strength of one hundred and fifty men and started on July 10, 1874, their first historic patrol of the prairie land so hungry for settlers. Seventy-three wagons and a hundred and fourteen Red River carts carried the supplies; bridges were built as required, and where mudholes blocked the way corduroy roads were laid. Of the outposts established, one of the most interesting was Fort MacLeod, in the heart of the whisky peddlers who were the source of so much trouble among the Indians of the plains and foothills.

Among the early contracts is Number 18, dated May 22, 1875, with Hill's Red River Transportation Company for \$227,123.41.

"for the carriage of rails, fish plates, bolts, etc., from Duluth to Winnipeg, Man., or any point on the Red River between Pembina and Winnipeg, at the rate of \$15. per ton, U. S. currency, and in the event of the Channel of the Red River being improved, same rate, viz., \$15. per ton from Duluth to the point of crossing of the Canadian Pacific Railway north of Stone Fort."

Two years later on October 9, 1877, Hill's stern-wheeler, the *Selkirk*, decorated with flags, evergreens and a banner emblazoned with the letters "C. P. R.," pushing a barge in front and with barges at each side, arrived at Point Douglas, Winnipeg, with a locomotive named the *Countess of Dufferin*, in addition to six flat cars and a van for service on the Pembina Branch, now extended to St. Boniface. The new arrival had been greeted by a salute of American artillery as it passed Fort Pembina, and was welcomed in Winnipeg with whistles, bells, banners, bunting and a special edition of the *Manitoba Free Press* which had advertised "a grand rally of Citizens." Joseph Whitehead, the contractor for the Pembina Branch who imported this locomotive, had himself been the fireman on the first passenger train in England over the Stockton and Darlington Railway. This locomotive was built by Baldwin's in Philadelphia and still is preserved on

permanent exhibition in a small park facing the Canadian Pacific Station on the site of Fort Douglas, the first settlement of Lord Selkirk's colonists.

Among the other contracts let during Alexander Mackenzie's régime are three of particular interest:

1.—No. 16—to the Canada Central Railway Company for an extension of that railway to the eastern end of the main line of the Pacific Railway near Lake Nipissing. The Honourable A. B. Foster was the guiding spirit of the Canada Central Railway which would thus provide connection with Ottawa. This contract involved a commitment of one million four hundred and forty thousand dollars.

2.—No. 17—to Anderson, Anderson and Company for the transportation of five thousand tons of steel rails from Liverpool, England, to the ports of Esquimalt or Nanaimo on Vancouver Island. Anderson, Anderson and Company were the founders of the Orient Line and had discovered in Alberni, on the west coast of Vancouver Island, a source of supply for masts for sailing ships.

3.—No. 34—for one hundred and eight thousand dollars to the Northwest Transportation Company covering transportation



Fort MacLeod built for the Northwest Mounted Police 1874
From a sketch by Captain Winder.

of rails, fish plates, bolts, etc., from Kingston, Ontario, to St. Boniface, Manitoba, and from Fort William, Lake Superior to Emerson, Manitoba, including all labour and charges. The Northwest Transportation Company was the name adopted by a company operating on the Great Lakes from Sarnia in which Henry Beatty was one of the chief partners. Some years after his return from the Cariboo he had joined two cousins in this steamship business. He was on terms of friendship with Alexander Mackenzie.

Another contract (No. 52) amounting to twenty-four thousand dollars was allotted to the same company under John A. Macdonald's régime in the following year.

In the meanwhile, an army of surveyors were occupied collecting an encyclopaedia of information about the western country as far north as the fifty-sixth parallel. Backed by the indifference

of Alexander Mackenzie to the impatience of British Columbia, Sandford Fleming organised the survey of six passes north of the Kicking Horse, with their alternative routes to as many outlets on the Pacific coast. The Royal Commissioners who afterwards investigated these surveys found that Fleming was hampered by having to select his staff under political patronage and not solely on their merits, but that different nationalities and creeds had to be consulted under every administration.



H. J. Cambie, government engineer on construction, B. C.

"Considering the fact that instrumental surveys were undertaken where they might better have been omitted, we find it difficult to repress the suspicion that work was sometimes invented for their occupation as an alternative less embarrassing than ending their employment."

Fleming's own *idée fixe* was the Yellowhead Pass, and event-

ually the remorseless logic of engineering and economic necessity convinced him that the terminal on the mainland must be found on Burrard Inlet. To carry the railway through Bute Inlet would cost twenty million dollars more, as any direct route to that Inlet from the Yellowhead Pass was blocked by the "lofty and defiant" Cariboo Mountains towering over a plateau five thousand feet above sea level, while the lowest point of the divide was an immense glacier at an elevation of seven thousand feet. These explorations were no picnics for the



Andrew Onderdonk, contractor for the B. C. Lines of the C. P. R. under government construction

surveyors. One party under E. W. Jarvis, who attempted early in 1875 to find a pass through the Rockies by the Smoky River, a branch of the Peace River, suffered extreme hardship, travelling nine hundred miles on snowshoes with the thermometer averaging thirty-nine degrees below zero for twenty days. Most of their dogs perished, and the men had eaten every morsel of their provisions three days before they reached the nearest Hudson's Bay Company post.

The harbours were examined along the coast as far north as Port Simpson, as the winter conditions had to be considered for an all year round port. Whereas Burrard Inlet and Victoria at the southern end of Vancouver Island have a mild and balmy winter, the report came from Gardner's Inlet, for instance, that

"the wind tearing along the mountain-tops loosed large masses of snow which rushed down the crevasses, and increasing in magnitude and velocity as they descended, finally plunged into the surging waters of the inlet with a dull, sullen boom like the discharge of distant artillery."

Apart from the Hudson's Bay Company's fur-trading posts, the only settlement was along the southwest coast of Vancouver Island and along the Fraser River Valley, with extensions where

the gold seekers had branched into creeks in the hills and had been tempted to make primitive homes. The chief argument against Burrard Inlet was the decision, on October 21, 1872, of the German Emperor, as final arbiter on the ownership of San Juan Island, that this island properly belonged to the United States. In the event of war with the Americans, the fortification of this island might prove a menace to shipping.

Further postponements were threatened when Marcus Smith issued a report in the spring of 1878 during Sandford Fleming's absence in England, declaring that Pine River Pass, north of the Yellowhead and south of the Peace River Pass would prove the true route for the Canadian Pacific and Bute Inlet would be the outlet with extension by ferry to Vancouver Island. Fortunately, the Mackenzie Government was thrown out this year, and when John A. Macdonald returned to power, Sandford Fleming was told that it was essential to commence construction in British Columbia without further delay. When he was directed to state the route which under the circumstances he would advise should be placed under contract, he declared himself in favour of the Thompson and Fraser Rivers route to Burrard Inlet, and invited tenders. In order to finance construction, Parliament voted an appropriation of one hundred million acres of land, valued at a dollar an acre, to be taken from all ungranted land within twenty miles of the railway and of fair average quality for settlement. Commissioners were to be appointed to devise means of selling these lands. Announcements were made in English papers inviting English firms to construct and operate the whole line from Ontario to the Pacific coast, but there were no offers.

The decisive argument in favour of the Burrard Inlet route was contained in a memorandum by Major General R. C. Moody, Commander of Forces and Chief Commissioner of Lands and Works of British Columbia, on the advantages of this route from the point of view of military defence. The Fraser River Valley was shown to be suited for defence, and the fear of danger from San Juan was dissipated. Contracts were let for one hundred and twenty-seven miles of railway along the Fraser River to Andrew Onderdonk, a brilliant young engineer. Like Van

Horne, who entered into the Canadian Pacific scene a year later, he came of an old Knickerbocker family, being a direct descendant of Adrian Van der Donk, a Dutch settler of 1672. On his mother's side his ancestry was English. There were theologians and doctors galore in the family, several of his ancestors having served with distinction in the diplomatic service.

Encouraged in his studies by a gifted mother, Sarah Trask, of Boston, Onderdonk was educated at the Troy Institute of Technology, New York, and after surveying townsites and roads in New Jersey went west as general manager for contracts financed by Darius Ogden Mills, a multimillionaire who was originally in the hotel business and who made his fortune first as a merchant and then as a banker in California. Mills had a New York house on Fifth Avenue, opposite St. Patrick's Cathedral, which according to the reminiscences of Henry Clews in *Fifty Years in Wall Street*, was

"A mansion of which a Shah of Persia might be proud . . . wondrously wrought . . . with the richly carved woodwork, the gorgeously picturesque ceilings, the inlaid walls and floors, and the *tout ensemble* of Oriental magnificence."

This mansion had been decorated by a New York architect to whom D. O. Mills had given *carte blanche* while he himself made a trip to California:

"The decorator's bill for four hundred and fifty thousand dollars . . . slightly disturbed his serenity . . . as with the eagle eye of a connoisseur, he perceived that the bill was altogether too high. He succeeded in getting, however, only a slight reduction."

In securing such a patron, Onderdonk's way was made easy. He spent three years building ferry ships and sea walls for the San Francisco Harbour, completing all his contracts in time in spite of fierce opposition from Dennis Carney, the notorious labour agitator of the Pacific coast. In undertaking the Canadian Government contracts for construction of the British Columbia section of the Canadian Pacific Railway, Onderdonk was supported by a syndicate consisting of Darius Ogden Mills, Simeon G. Reed, the

railroad Maecenas of Portland, Oregon; W. B. Laidlaw, Agent of the Bank of California in New York, and Levi Parsons Morton, head of the banking firm of Morton, Bliss and Company with a London affiliation styled Morton, Rose and Company. L. P. Morton was a lineal descendant of George Morton, one of the Pilgrim fathers. Born in an obscure New Hampshire village, he was graduated from a dry-goods business in Boston to banking in New York. He was associated with Pierpont Morgan in a syndicate which broke Jay Cooke's hold on the United States Treasury. Thereafter he became so influential that he was appointed Minister to France in the summer of 1881, and in 1888 was elected vice-president of the United States. He served as governor of New York from 1895 to 1896.

George Bliss, who joined him as partner of the New York firm in 1869 was a New Englander of Puritan stock who laid the foundations of a substantial fortune in the Civil War by purchasing for cash all the merchandise he could lay hands on and benefiting by the advance in price.

Mrs. Onderdonk was Sarah Delia Hilman, of Plainfield, New Jersey. She was simple in dress and taste, but such a perfect hostess that she made the construction headquarters at Yale a pleasant place of call for passing visitors.

Canadian Government engineers who supervised the construction of the line in British Columbia, included Marcus Smith, who had charge of the work from Port Moody to Emory's Bar; and Henry J. Cambie, supervising the difficult section of the Fraser Canyon from Emory's Bar to Boston Bar.

At eleven o'clock on the morning of May fourteenth the first shot of dynamite was fired on construction. One of those present writing in the *Montreal Gazette* says:

"From Danger between Yale and the Alexandra Suspension Bridge, built by the Hon. J. W. Trutch in 1862, 12 miles up the river from Yale, the railway location was found well advanced by Contract 60 Engineering Staff, while Contract 62 Staff had made things ready for excavation, especially for the four tunnels, 1045 feet in all within this distance.

"The memorable day was showery, which did not interfere with



From the painting by Frank J. Langbecker.

The Pass.



the gathering of interested spectators. 'After some congratulatory remarks for the Conservative Government and the Pacific Province by persons present, Mr. Onderdonk at the request of the Hon. J. W. Trutch, ordered the foreman to light the fuse—a grand success; the loud noise resounded in the Fraser Valley some distance, besides causing a downpour of rain. A similar experience had often been experienced after heavy blasting between Lytton and Spence's Bridge in the dry irrigated belt along the Thompson River, a delightful gift to the engineers and ranchers especially during the Summer months on the mountain side.

"After the blast Captain John Irving, of Fraser and Thompson River fame used the whistle of his sternwheel river boat, the 'Enterprise' to add to the ceremony. Again after the blasted rock was removed from the waggon road, close to the railway line in the tunnel, Mr. Stephen Tingley, memorable for his mountain road driving with the mail and special up-country coaches, appeared with covered special, holding the reins of six lively horses, and with the consent of the tunnel foreman was allowed to go up the road."

H. J. Cambie, the government engineer, writes:

"We were confronted with new problems almost every day. One of our great troubles was the old waggon road which ran for miles alongside the railway and which had to be kept open, as it was the only means of access to the upper country and continued so until the railway took its place. . . . Outside the Chinese there were very few foreigners in the country, and most of the men on the construction work were English-speaking, many of them Englishmen. I was often surprised at the great number among them who were well informed men who had drifted through most parts of the world, many of them highly educated. They were good workmen, too. Onderdonk supplied excellent camps and good sleeping quarters, and the food in his camps was of really good quality and well served. I often dropped in and had a meal in the camps. The wages were \$2.00 and upwards per day."—From *Blazing the Trail through the Rockies*, by Noel Robinson, News Advertiser Press, Vancouver.

MACDONALD NEGOTIATES

THE CURRENT of the political idea involved in an overland railway confederating the Atlantic with the Pacific Provinces had thus for a while stagnated in the great and little lakes of Alexander Mackenzie's water stretches, while the idea of a commercial Northwest Passage was frozen in the Arctic and sub-Arctic discoveries of Franklin, and of the Hudson's Bay men, Peter Warren Dease and Doctor Rae. Another idea was to contribute its invigorating flood and that took shape as the idea of Imperialism springing from the Oriental imagination of Benjamin Disraeli. At the age of seventy, Disraeli had changed his talk of

"those wretched Colonies which are a millstone round our necks" into "no minister in this country will do his duty who neglects any opportunity of reconstructing as much as possible our Colonial Empire, and of responding to those distant sympathies which may become the source of incalculable strength and happiness to this island."

The Prince of Wales' visit to India in 1875 was followed by the brilliant coup of securing joint control of the short route to Bombay by purchase of the Khedive's shares in the Suez Canal, and Disraeli's addition of "Empress of India" to Queen Victoria's title came as a thrilling climax. According to *Punch*, the scintillating mirror of London opinion, this was going too far. But in the colonies and dependencies it created a feeling of pride which hitherto had been more or less dormant, and to those like Sir John A. Macdonald who felt strongly the tie with the motherland it was, an inspiration.

Absorbed at first in 1878 with the nurture of his national policy, Macdonald had not forgotten his Canadian Pacific first-born of 1872, *enfant terrible* though it had proved to be. While he was

in Opposition his interest was kept alive by Walter Moberly, who now lived in Ottawa, and as a boyhood friend of Lady Macdonald was a frequent guest. Unless the railway were built without further delay, Moberly urged, British Columbia would without question secede from Confederation.

Sir Charles Tupper, Minister of Railways in the new Conservative Cabinet, steered a Resolution through the House of Commons early in 1879 which breathed the new Imperialistic spirit in such clauses as:

"2—That the Pacific Railway would form an Imperial Highway across the Continent of America entirely on British soil, and would form a new and important route from England to Australia, to India and to all the dependencies of Great Britain in the Pacific, as also to China and Japan.

"3—That reports from the Mother Country set forth an unprecedented state of enforced idleness of the working classes, and the possibility of a scheme of relief on a large scale being found indispensable to alleviate destitution.

"4—That the construction of a Pacific Railway would afford immediate employment to number of workmen, and would open up vast tracts of fertile land for occupation, and thus would form a ready outlet for the over-populated districts of Great Britain and other European countries.

"5—That it is obvious that it would be of general advantage to find an outlet for the redundant population of the Mother Country within the Empire, and thus build up flourishing Colonies on British soil, instead of directing a stream of emigration from England to foreign countries."

Settlers from all over Europe were pouring into Minnesota and taking up land tributary to the Red River of the north. Many were coming into Manitoba, and Jim Hill's Red River Transportation steamers could carry them only when the ice had thawed. Some five hundred Icelanders had come to Winnipeg in 1874, and over six thousand German-speaking Mennonites from Southern Russia settled in Manitoba between 1874 and 1876. Winnipeg's demand for a railway connecting with St. Paul was insistent, and if Hill could only secure the charter of the St. Paul and Pacific Railroad from the Dutch bondholders, he saw the nucleus of a railroad system in which lay a fortune. Norman W. Kittson,

STEEL OF EMPIRE



Sir John Rose, Macdonald's confidential adviser in London

his partner, backed him up. Donald A. Smith agreed with him and had used all his influence with Alexander MacKenzie to build the vital branch line of the Canadian Pacific Railway. Six hundred and fifty thousand dollars was voted for that purpose and the first sod was turned by Lord Dufferin, Governor-General of Canada, in 1874. The first spike was driven by Lady Dufferin three years later. Progress was slow, and even when the rails from St. Paul reached the International Boundary, Hill had to buy out the contractors so

that a properly equipped service could be run.

In December, 1878, the last spike on the rail connecting this Pembina branch of the Canadian Pacific with the St. Paul and Pacific Railroad was driven at Rosseau River. George Ham, then editor of the *Manitoba Free Press*, describes the ceremony in his *Reminiscences of a Raconteur* (McClelland and Stewart):

"There was a dispute as to which lady should have the honour of doing the driving, and to settle the controversy U. S. Consul Taylor diplomatically suggested that they all take a whack at it. And they did—tapping the spike with a heavy sledge-hammer, but not driving it very far into the tie. After all had had their turn, and the spike was still in painful evidence, the Consul called upon Mary Sullivan, the big, strong, buxom daughter of the boss section man, who with one mighty blow drove the spike home amidst the loud cheers of the multitude.

"On the first train, on which was a first-class car borrowed from the St. P. and P., were half a dozen or so passengers, and the conductor asked Jack McGinn, the first paymaster of the road, for instructions as to their tickets, of which there weren't any. Jack was equal to the emergency, and wrote on any ordinary sheet of foolscap paper:

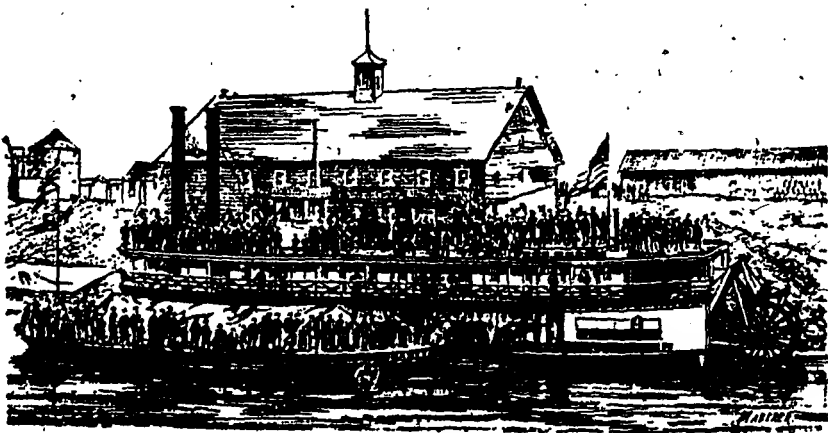
"Ticket No. 1 Trip No. 1—St. Boniface to St. Vincent. Passenger S. Orson Shorey, December 2, 1878.—J. St. L. McGinn."

Donald Smith knew George Stephen was personally wealthy as

well as in control of the resources of the Bank of Montreal, of which he became president in 1876. Early in the following year he introduced Hill to Stephen in Montreal, and in September, Stephen visited St. Paul with R. B. Angus, general manager of the bank. The story goes that these two were on a trip to Chicago, and having some time on their hands tossed a coin as to whether they should go to St. Paul or St. Louis. St. Paul won the toss, with the result that an understanding was reached which ultimately resulted in the foundation of two notable railways, the Great Northern in the United States and the Canadian Pacific as a privately owned and operated railway in Canada. Neither of these, however, entered into Stephen's vision at the time, his immediate interest being to help Hill secure the money necessary to rehabilitate the St. Paul and Pacific. Hill took him over part of the completed line, and Stephen was so much impressed with the volume of immigration that he decided to join forces. One of the mottoes he had learned from his English business mentor, James Morrison, was "Hold to your first impression of a bargain. It is the best." There seemed to be a bargain in the price quoted to him by a committee of the Dutch bondholders whom he went to interview in Amsterdam, and who are said to have given him a six months' option for one guilder. So he pulled the strings and got the money. Negotiations had to be kept under cover, as the Northern Pacific was recovering from the smash of 1873 and was anxious to hold a monopoly over the Red River territory, but with the aid of a friendly though not overscrupulous receiver, and the mediation of John S. Kennedy & Company, bankers of New York, who represented the bondholders in the United States, control was secured, and the company organised in 1879 under the new name of the St. Paul, Minneapolis and Manitoba Railroad. George Stephen was elected president, and R. B. Angus vice-president, the latter taking up residence in St. Paul. The new railroad was to develop under Hill's direction into the Great Northern Railroad, and from the very first brought large profits, at least on paper, to its promoters. Stephen had been a rich man before, but now he came to have the reputation of being the wealthiest man in Montreal.

That summer, Macdonald went with Tupper to England in the hope of securing aid from Disraeli's Government for his railway, but he found the primrose path of the old statesman strewn with the rocks of Zululand, Afghanistan and an approaching general election. The Mahdi had not yet arisen to threaten the Suez Canal route, which seemed to have cost enough at present to help the trade with Cathay. While his official negotiations were with Sir Michael Hicks Beach, the Colonial Secretary, and with Sir Stafford Northcote, Chancellor of the Exchequer, Macdonald was invited to spend a night at Hughenden with Disraeli who told him he was greatly interested in what Sir John had told him about the "illimitable wilderness" of Canada, adding "We are going into our elections shortly, but come back next year and I will do anything you ask me." Disraeli's private comment on the interview is contained in a letter to Lady Bradford:

"Sept. 2—The P. M. of the Dominion of Canada arrived yesterday and departed by early train this morning, having given me a bad night and leaving me very exhausted. He is gentlemanlike, agreeable and very intelligent; a considerable man, with no Yankeeisms except a little sing-song occasionally at the end of a sentence. It is a pity these people always come when everybody is scattered. It would not have been half as exhausting to have given him a London dinner, or more. But it was necessary, for many grave



Mennonites arriving at Winnipeg

reasons, that he should not depart and feel on his return like the Duchess of Marlboro' 'that she had no attention paid to her—'

"By the bye, the Canadian Chief is said to be very like your humble servant, tho' a much younger man. I think there is a resemblance. He says the Princess (Princess Louise, married to the Marquis of Lorne, Governor-General of Canada) is a great success in Canada, which was a tossup; but she is extremely gracious, speaks to everybody and is interested in everything, and skates divinely."—*Life of Benjamin Disraeli*, by George Earle Buckle, Vol. VI, p. 477. Quoted by permission of the Macmillan Company of Canada, Limited.

In London, Macdonald had a faithful and astute adviser in Sir John Rose, an Aberdonian Scot who had lived thirty years in Canada, the last twelve of which they had spent in close political association. In 1857, Rose had joined the Macdonald-Cartier Ministry as Solicitor-General for Lower Canada. In 1864 he served on the commission to settle the Oregon claims with the United States. Three years later he attended the London Conference on Confederation. After a brief term as minister of finance in the Dominion Cabinet, he resigned to join the banking firm of Morton, Rose & Company in London. This was a branch of Morton, Bliss and Company of New York and was founded by Sir John Rose in association with Levi Parsons Morton, the American banker whose career is described in the previous chapter. Rose was a close student of American banking methods, and resigned from Macdonald's Ministry, owing to the opposition to his Banking Bill which was considered as encouraging the adoption of the American system. From 1873 to 1884 Morton, Rose and Company acted as fiscal agent of the United States in London. It was also associated with Messrs. Rothschild and other London bankers in the payment of the Geneva Award of fifteen million dollars and the Halifax Fishery Award of five million five hundred thousand dollars.

Sir John Rose became a power in the London directorate of the Hudson's Bay Company, and was in the swim of London political society. He intimated that unless Macdonald obtained an imperial guarantee for any loan, it would require very delicate manipulation to find acceptance in the London market. That



THE PACIFIC YOUNGSTER PACIFIED.

Sir Charles: Well, then, and did his bad, bad Mackenzie make a fooley, tooley of him, so he did; but he shall have his Island Railway, so he shall, and he'll always vote for his Sir Charley, so he shall.

From a cartoon by J. W. Bengough in *Grip*.

Courtesy of T. Bengough.

guarantee was not available, but Macdonald was encouraged in the belief that the Canadian Pacific's future lay in its possibilities as a fast through route to the Orient, owing to the interest

taken by a Japanese steamship line. He came to the conclusion that if he could secure a private company as sponsor for the construction of the railway, he could support a plan for the establishment of a steamship line on the Pacific under the joint control of that private company and the Mitsubishi Company, one of the richest and most influential concerns in Japan, with extensive manufacturing, mining and shipping interests. To such a line he would be prepared to give a reasonable subsidy for carrying the mails to Hong Kong and Yokohama. A railway depending on water stretches would be out of business for half its length in winter, whereas a transcontinental railway with steel from coast to coast could develop ocean traffic at both ends to keep the wheels moving all the year round, and the commerce of the Pacific was waiting to be tapped. The man he had to find to sponsor and direct his overland railway must be of sufficiently broad vision and mercantile experience to realise the part that the Canadian Pacific must play in Oriental trade.

In the meanwhile the work of construction had to go ahead as a government undertaking. Onderdonk continued to blast and cut his way along the Fraser River, and Jim Hill was allowed to take over from the contractor the operation of the line from St. Vincent north, which had now been extended into Winnipeg. As the Red River was frozen, a bridge was built over the ice with double-length ties under the supervision of Donald D. Mann, so that a locomotive, the *John G. Haggart*, could be driven into Winnipeg on December twenty-ninth. Six thousand spectators witnessed the first experiment of this nature in the west, although a similar ice track had just been built and operated over the St. Lawrence at Longueuil, near Montreal, by the South Eastern Railway.

John Henry Pope, who was the Acting Minister of Railways, spoke to John A. Macdonald about the profits of Stephen, Angus and Hill, and said, "Get their money for your Canadian Pacific before they have time to invest it somewhere else," and Macdonald took the advice. He had long been a close friend of Stephen and frequently consulted him on national problems. As Stephen's drygoods business had developed into the manufacture of tweeds

as well as the importation of textiles, the Montrealer was interested in Macdonald's National Policy. Himself the former director of a bank that had failed, Macdonald had a high



George Stephen, afterwards Lord Mount Stephen

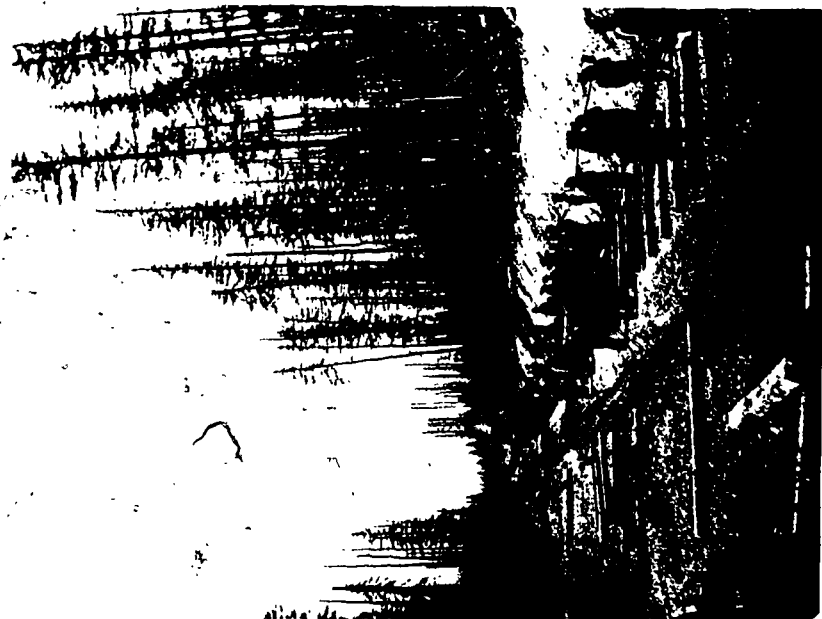
respect for the solidity of the Bank of Montreal, of which Stephen was President. Stephen's associates, J. J. Hill, although now an American citizen, was Canadian born, and was strongly antagonistic to Macdonald's bugbear, the Northern Pacific. The experience of Hill and Angus, particularly the former, in connection with land settlement in Minnesota and North Dakota under conditions similar to those of the Canadian prairies gave them particular qualifications. The Canada Central could not be kept out

of the picture as it had always been considered the Ottawa extension of the Canadian Pacific from Lake Nipissing, and Duncan McIntyre, who had recently become the dominant factor in the Canada Central, was a Montrealer known to be on friendly terms with Stephen. Duncan McIntyre was another of those inevitable Scots from Aberdeen or thereabouts, who came to Canada in 1849 and like George Stephen worked his way up from being a clerk in a drygoods business to becoming the head of the firm. An opportunity to purchase the interests of an English firm in the Canada Central had enabled him to secure control. If Stephen, Hill, Angus and McIntyre could join forces on the Canadian Pacific enterprise, they would make a team.

George Stephen was already associated with Duncan McIntyre in the promotion of a company named the Atlantic and North Western, incorporated in May 1879 for the construction of a railway line "from a point on the Atlantic Coast within the Dominion of Canada to a point on Lake Superior by way of Lake Megantic, Sherbrooke, Montreal, Ottawa and French River." The immediate intention was to build a bridge over the St. Lawrence at Lachine near Montreal to break the monopoly of the Grand Trunk



Tunnel No. 1 (above Yale) Showing the Cariboo Road Alongside.



Photos, courtesy of Provincial Library and Archives, Victoria, B.C.

Laying Track (1881) in the Lower Fraser Valley.



Making Cariboo Road into the Railway, Fraser
Canyon Section.



Photos courtesy of Provincial Library
and Archives, Victoria, B.C.

Tunnel under Construction, Fraser Canyon.

under which Montreal was suffering. A number of existing railways were anxious to link up for through traffic in competition with the Grand Trunk, and the promoters of this company hoped eventually to make a through connection from Saint John, New Brunswick, through the State of Maine, and then, west of Montreal, connect with Ottawa and the Canada Central, and with Toronto by way of Smiths Falls and a railway under consideration known as the Quebec and Ontario. The Canada Central connection would link up with the government transcontinental to the northwest.

One of the railways concerned, the South Eastern, made a stab at the Grand Trunk during the winters of 1879-80 and 1880-81 by running trains over the ice from Hochelaga to Longueuil. This ice bridge was very popular, and its success is said to have inspired the Russian Government to build a temporary ice bridge in winter along the Lake Baikal in the early days of construction of the Trans-Siberian Railway. There was one accident, when a locomotive fell through the ice, but no casualties.

Negotiations started in April, 1880. It was not easy for Macdonald to persuade Stephen to take over his white elephant, for the odour so far acquired by the Canadian Pacific Railway was not that of Araby. Political and financial grief seemed to be the inevitable fate of anyone who took it in hand. Three years before Stephen had written to Macdonald

"At present there is d—d little encouragement to risk anything in Canadian enterprises, which are nearly all equally bad."—Letter in Public Archives of Canada.

In July Stephen decided that he could not entertain the government proposals and wrote to Macdonald on the ninth from his summer place at Causapsal:

"I quite understand the difficulties the Government have to contend with in dealing with the work of constructing the Pacific



Duncan McIntyre, who brought the Canada Central into the Canadian Pacific

Railway: they have to be guided by considerations quite different from those that you or I would have to deal with were it a personal matter in which we were free to use our own best judgment. I am aware it is often impossible for a Government to adopt the best course; and it is the knowledge of that fact that makes me rather hesitate to commit myself to the enormous responsibility involved in this undertaking. You will have no difficulty, I feel sure, in finding men on the other side, more or less substantial and with greater courage—mainly because they know less of the difficulties to be encountered, but also because they will adopt measures for their own protection which I could not avail myself of.

"When I met Pope in Montreal on Saturday last he told me that the Government had decided finally to give no more money—than twenty millions, and as I could not see my way to do the work for a less cash bonus than twenty-six and a half millions, I thought it better to end the negotiations, leaving you perfectly free to make the best bargain you could on the other side. Pope was disappointed and not very well pleased with me, but I thought and still think it was the right thing to do. . . . Mr. Angus has been with me all the week, and we have done little else than discuss the matter, the salmon being few and far between. We are both satisfied of our ability to construct the road without much trouble, but we are not so sure by any means about its profitable operation; but, in regard to this, if we cannot operate it successfully no one else can. We think, as I explained to you at Ottawa, that we could immediately utilize the Thunder Bay branch for our lake traffic and in this, and other ways, earn enough to secure the payment of interest upon such indebtedness as we might incur. Our experience of settling lands in Minnesota would be a great help to us in the management of the lands granted to the Road. . . . We are also clear on the point that the Canada Central and the Quebec roads would have to be incorporated. Nipissing is nowhere, Montreal or Quebec must be the starting point. Altho' I am off the notion of the thing now, should anything occur on the other side to induce you to think that, taking all things into consideration, our proposal is better upon the whole for the country than any offer you get in England, I might, on hearing from you, reneue it and possibly in doing so reduce the land grant to some extent. Here let me say that, so far as I am able to gauge public opinion, I think most people and especially the opposition (if we may judge from the utterances of the *Globe*) would prefer limiting the grant of land and increasing the cash subsidy—that is, they would prefer giving 30 millions cash and 20 millions acres of land to 50 millions acres of land without any cash; but

as to this you can judge much better than anybody else."

—Letter in Public Archives of Canada.

But Sir John was an ardent wooer, and George Stephen eventually said "Yes," on the understanding, however, as he afterwards wrote to Van Horne, that he was to have nothing to do, and that the business regarding construction was to be done at St. Paul "and I to hear nothing about it."

Hill was induced to come in partly from a sentimental interest in his native country, partly from the fascination of the Orient which had always held his imagination and to which this Canadian Pacific route was pointing, but more immediately because construction material for the lines west of Winnipeg would have to be carried over the St. Paul, Minneapolis and Manitoba Railroad, and that road would also benefit by the increased emigration to Manitoba which must follow. Nevertheless, in a letter to R. B. Angus, written in July, he was frankly pessimistic about the prospects of a railway north of Lake Superior. In addition to the costly construction he could not see that it would enjoy any local business, and the through traffic would not afford it enough money to meet the payrolls and fuel, to say nothing of repairs and renewals. The chief hope for the project, he considered, lay in promoting immigration and settling the prairies.

When Macdonald went to England, he was accompanied by Sir Charles Tupper and John Henry Pope, and this time, with Duncan



Ice bridge over the St. Lawrence at Longueuil, a stab at the Grand Trunk Monopoly by the South Eastern Railway, afterwards absorbed by the C. P. R.

From *L'Opinion Publique*.



Waiting for the Cat.

From a cartoon by J. W. Bengough in *Grip*, Dec. 4, 1880.

Courtesy of T. Bengough.

McIntyre as a fellow passenger on the boat. Duncan McIntyre had not only control of the Canada Central Railway but also had other useful eastern railways in his pocket. He had authority from Stephen to make a preliminary agreement, provided sufficient support could be obtained in England. Stephen found more to interest him in the salmon fishing at Causapscal, which was improving. It was understood that if Macdonald could find another *fiancée* such as the Grand Trunk, satisfied to take a smaller settlement, no hearts would be broken. The engagement with the syndicate had not yet been announced.

When overtures were made to Sir Henry Tyler, President of the Grand Trunk, which was directed from London, Sir Henry would not consider the idea unless the railway were to go round

by Chicago. As Tupper states in his *Political Reminiscences*, the answer was:

"If you omit the clause providing for the building of a line around the North Shore of Lake Superior to Eastern Canada, I shall be pleased to lay the matter before my board of directors. Otherwise they would throw it into the waste paper basket."

Like Macdonald, Stephen was a close friend of Sir John Rose, whose firm of Morton, Rose & Company had vainly endeavoured to secure British capital for the Canadian Pacific under Mackenzie's régime. As we have already seen, L. P. Morton, head of the affiliated Morton, Bliss and Company, had helped to finance the Onderdonk contract for construction in British Columbia. Stephen was friendly with "old Bliss" the other partner in New York, and through these various influences Morton, Rose & Company were persuaded to join in the application for a charter to complete the railway as a private company. Pascoe du P. Grenfell, another partner of Morton, Rose & Company, brought in French capital through Kohn, Reinach & Company, of Paris and Hamburg. Baron Reinach, of this company, was interested in the idea of a shorter route to the Orient and was prominent in the Panama Canal Company. Eventually he committed suicide when the affairs of that company became entangled.

The preliminary agreement for the construction of the Canadian Pacific Railway was signed in London on September 14, 1880, the signatories for the government being Sir John A. Macdonald, Sir Charles Tupper, John Henry Pope and D. L. Macpherson, and for the Syndicate Duncan McIntyre, Morton, Rose & Company and Kohn, Reinach & Company. When his business associates heard that George Stephen had decided to sponsor the Canadian Pacific, they thought he had lost his balance. He wrote to Macdonald on September twenty-seventh, "my friends and my enemies agree in affecting to think this will be the ruin of us all." The final contract which was



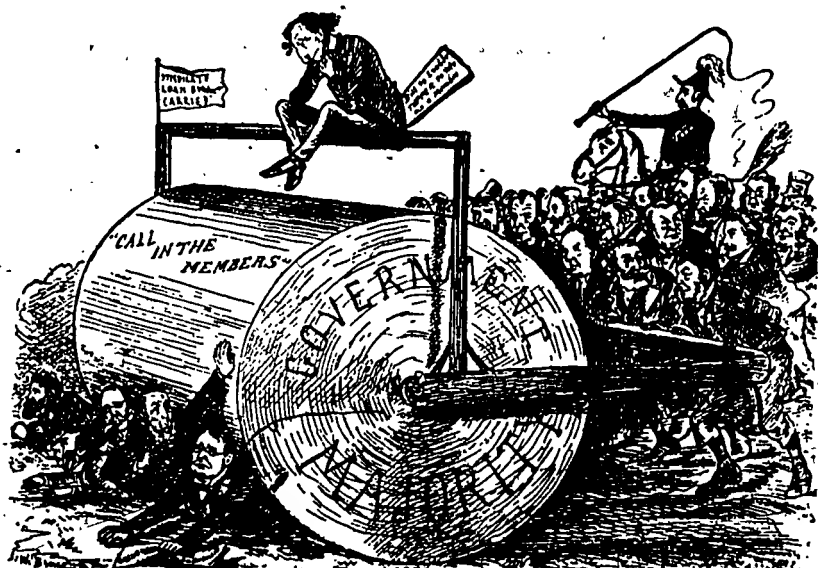
Sir John A. Macdonald as the Canadian Sphinx.

From a cartoon by J. W. Bengough in *Grip*.
Courtesy of T. Bengough.

drawn up by the Honourable J. J. C. Abbott, afterwards prime minister of Canada, who took an active part in the negotiations, was signed at Ottawa on October twenty-first. Abbott had been president of the Canada Central as far back as 1861, and was closely associated with Duncan McIntyre. He proved of invaluable assistance to the new Canadian Pacific Railway in its early negotiations and struggles. Stephen now went over to England himself to secure financial support for the coming enterprise; and incidentally to enjoy the London season.

Macdonald was too old a political hand to let the opposition know the exact nature of the cat he had in the bag, and the cartoons of his deadliest critic, J. W. Bengough, of *Grip*, indicate the chagrin of the Liberals at the Sphinx-like silence of the wily Sir John.

This time Macdonald had very different people to deal with than Sir Hugh Allan, whose conception of railway promotion was based on American precedents of lavish largess to politicians. Stephen was not interested in that kind of game, and would put his money only into honest business. He had made his offer based on a close analysis, and Sir John could take it or leave it. Far from lobbying or pulling political wires to help to get the charter through Parliament, Stephen was in England that winter, enjoying London society in the company of his wife and married daughter, and spending his business hours in persuading financial associates to share the risk of this Canadian transcontinental railway venture and in thinking up plans attracting settlers to the Northwest. The French financiers were the hardest to persuade—they wanted to send a French engineer to look over the route and report, as if there had not already been surveys enough for half a dozen railways. Eventually Stephen had to go to Paris himself, and tell the doubting French that they could come in or stay out for all he cared. The politics in Canada he left to Macdonald, and there was no rake-off for anybody. His only concession to politics had been to leave the name of Donald A. Smith out of the original syndicate. That was Macdonald's condition, as his name would have been a red rag to the Conservative bulls who remembered his defection in 1873. How nearly Smith came



CRUSHED!

The Canadian Pacific charter is put through Parliament

From a cartoon by J. W. Bengough in *Grip*.

Courtesy of T. Bengough.

to be left entirely out of the picture is shown in Stephen's letter of January twenty-third to Macdonald from London:

"I note what you say about Smith, and am at a loss rather to know how to deal with him. He is so sensitive as to his position in the Company, and has felt so sore with me and Angus for omitting his name in the Contract, that I feel it will not be possible to avoid his name appearing as a subscriber to the stock unless we let him out altogether—that I proposed doing to him one day here when he annoyed me about the *Herald* and *Gazette* controversy. The fact is that he is most anxious to make friends with you. . . . The distrust of him and of Hill and Kittson is not unnatural, but you may rely upon it entirely groundless and based on ignorance of the men. Kittson is one of the best old gentlemen you ever knew; honourable to a degree he takes no personal interest in these matters, being content to do as the rest of us tell him. Hill is a very able fellow without whom we could not easily do the work. . . . he has scrambled from a very humble position to a very high position, and of course those he has passed on the road

do not like him. The real control and government of the Enterprise will be in the hands of Angus, Kennedy, McIntyre and myself."—Letter in Public Archives of Canada.

By the time Parliament met in December, Macdonald had his forces lined up to vote the bill through, confirming his contract with a syndicate containing the names of George Stephen and Duncan McIntyre, of Montreal, John S. Kennedy, of New York, Richard B. Angus and James J. Hill, of St. Paul, Minnesota, Morton, Rose & Company, of London, England, and Kohn, Reinach & Company, of Paris, France.

Speaking in the House of Commons on January 17, 1881, Sir John dilated on the difficulty of running a Canadian railway as a government enterprise:

"It is made a political cause of complaint in every way; the men that are put on the railroad from the porter upwards become civil servants. If one of these men is put on from any cause whatever, he is said to be a political hack; if he is removed, it is said his removal was on account of his political opinions; if a cow is killed on the road, a motion is made in respect to it by the Member of the House who has the owner's vote and support."

The preamble to the Act as finally passed on February 15, 1881, is significant:

"Whereas by the terms and conditions of the admission of British Columbia into Union with the Dominion of Canada, the Government of the Dominion has assumed the obligation of causing a railway to be constructed, connecting the seaboard of British Columbia with the railway system of Canada;

"And whereas the Parliament of Canada has repeatedly declared a preference for the construction and operation of such Railway by means of an incorporated Company aided by grants of money and land, rather than by the Government, and certain Statutes have been passed to enable that course to be followed, but the enactments therein contained have not been effectual for that purpose;

"And whereas certain sections of the said railway have been constructed by the Government, and others are in course of con-

struction, but the greater portion of the main line thereof has not yet been commenced or placed under contract, and it is necessary for the development of the good faith of the Government in the performance of its obligations, that immediate steps should be taken to complete and operate the whole of the said railway:" etc., etc.

The contract repeated the subsidy offered by previous governments of twenty-five million dollars in cash, but cut the land subsidy in half, supplementing it with the scattered sections of line already constructed or under contract excluding the cheaply built colonisation lines west of Winnipeg, together with the cost of surveys, a total investment of \$37,785,320, the actual work on construction having cost \$28,000,000. Owing, however, to the incompetence and extravagance of government construction as revealed in the three volume report of a Royal Commission appointed to investigate, the actual value was considerably less. The Report states:

"That the construction . . . was carried on as a Public Work at a sacrifice of time, money and efficiency. That numbers of persons were employed . . . who were not efficient—on party grounds—that large operations were carried on—with much less regard to economy than in a private undertaking—that the system under which the contracts were let was not calculated to secure the works or at the earliest date."

Three million dollars of the money spent on surveys had little bearing on the route selected, although no doubt the surveys were of value to future Alpine climbers.

Testifying in New York before the Senate Committee on Interstate Commerce on May 9, 1889, Van Horne stated that the location of government section of the line was bad:

"We would not have built it where it is. We could have got through by another line at an expenditure of about, I presume, twelve millions of dollars, or perhaps fifteen millions."

The total subsidy agreed to was considerably less than the one hundred million acres of land which Parliament had appropriated

in 1879 to cover the cost of construction by the government itself.

The mileage from Bonfield which replaced Callander as the Eastern terminus eventually proved to be 2540, a large proportion of which was through unexplored country. The length of the Union Pacific, much of which followed old wagon routes totalled 1086 miles, and according to the final agreement of 1864 the Union Pacific received a subsidy of \$29,156,000 with a land grant of 13,900,000 acres. In 1885 the Canadian Pacific Land Grant was reduced by 6,793,014 in return for which the government paid \$10,189,521.

The new features of the contract were based on experience gained in American railroad construction and land settlement, and on practical considerations which business men could not overlook. A large amount of construction material and equipment not manufactured in Canada had to be imported, so Macdonald, on Hill's recommendation, waived the tariffs of his National Policy and let them enter free of duty. The system of blocks of land granted in the Allan Charter lent itself to speculation by purchasers who would delay settlement and traffic by holding for a rise. The rapid progress of American settlement along railroad lines had been facilitated by smaller units, and Sir John had already been converted to the idea of granting land "fairly fit for settlement" in alternate sections (or square miles) within twenty-four miles of the railway line. Should there be insufficient land of such quality within the railway belt, the grant was to be made up from other land between parallels forty-nine and fifty-seven degrees of north latitude. The government agreed to extinguish the Indian title affecting the lands appropriated.

Macdonald was also impressed by Sandford Fleming's warning contained in the survey report of 1880 as to the danger of indiscriminate granting of charters which might result in the chaotic and unremunerative competition already experienced in Ontario. Stephen insisted that if charters were given to railways running south of the main line in Manitoba, the whole structure of a Canadian transcontinental planned to haul traffic east and west would be endangered. He therefore agreed to the so-called "Monopoly Clause," disallowing construction of any line south

of the Canadian Pacific Railway from any point at or near the Canadian Pacific Railway except such line as shall run southwest or to the westward of southwest, not to within fifteen miles of latitude forty-nine for a period of twenty years.

This clause was necessary for a railway that had to depend for its existence on an east and west haul, and also served Jim Hill's purpose in keeping out the Northern Pacific, although a few years later it proved a boomerang in handicapping Canadian branches of his own Great Northern Railroad. It also proved a bone of contention with Manitoba which considered this an infringement of provincial rights and rose to white heat when Sir John disallowed franchises given to local provincial railways. A compromise on this debated point was ultimately reached, to be dealt with later.

Tax exemption on land for twenty years from the date of grant was common practice in United States railroad chartering, but tax exemption on capital stock was a new feature in Federal finance except in regard to government railways. In the United States, Northern Pacific First Mortgage Land Grant Gold Bonds were free of U. S. tax.

The syndicate for its part undertook to do what the government had no hope of doing; namely, complete and equip the railway in running order from the western terminus of the Canada Central Railway near the east end of Lake Nipissing to Port Moody by May 1, 1891. This promise was derided by the opposition, remembering Alexander Mackenzie's declaration at Sarnia October 11, 1875 that "all the power of man and all the money of Europe" could not have completed the road in ten years.

Possibility of American control was barred by the stipulation that the majority of the directors of the company, of whom the president was to be one, were to be British subjects. The company was specifically authorized to purchase or acquire by lease the Canada Central Railway and any lines of railway from the city of Ottawa to any point at navigable water on the Atlantic seaboard, or to any intermediate point, and to maintain docks, dockyards, wharves, ships and piers at any point, and at all the termini—on navigable water for the convenience and accommodation of ves-

sels and elevators—and to acquire, own, hold, charter and run steam and other vessels for cargo and passengers upon any navigable water, which the Canadian Pacific Railway may reach or connect with. Thus, from its inception as a private concern the Canadian Pacific was planned as a steamship as well as a railway company.

In the Senate Sir Alexander Campbell made a powerful speech in which he emphasised the magnitude of the undertaking which meant the construction of a road two-thirds longer than any railway in existence. More than that the syndicate had the problem, in addition to constructing a railway, of peopling a continent, as their success depended on the number of settlers they could secure for the Northwest and involved an immense campaign of propaganda. The terms offered were less than previous governments had been willing to grant, and greatly less in proportion to the lavish grants by the American government to American railroads, amounting to two hundred million acres of land worth now a billion dollars and seventy million dollars in cash.

It was easy for the cartoonists to make the syndicate look like a hydra-headed dragon, though Edward Blake, the new leader of the opposition, turned their satire into a boomerang by producing an eleventh-hour syndicate of his own which offered to do the job just a little cheaper, on the secret understanding that Toronto, not Montreal, should be the eastern terminal. The criticism that the land grant was too valuable was met by the recital of a former statement by Alexander Mackenzie that the western land was worth only a dollar an acre. Sir John let them talk. He had his safe majority, and steam-rolled his bill through with a vote of one hundred and twenty-eight to forty-nine on February 1, 1881, the Governor-General giving assent on February fifteenth, and attaching his signature to the Charter.

Two days later the syndicate was replaced by a duly organised company with George Stephen as president, Duncan McIntyre as vice-president, and R. B. Angus and J. J. Hill on the executive committee. Within a fortnight, stock of a par value of six million, one hundred thousand dollars had been subscribed although the charter required only one million pounds. Donald A. Smith ap-

pears on the original list as owning five thousand shares, the same amount as held by George Stephen, J. J. Hill and Duncan McIntyre. Morton, Rose and Company subscribed for seven thousand four hundred and ten shares and J. S. Kennedy & Co. for four thousand five hundred shares.

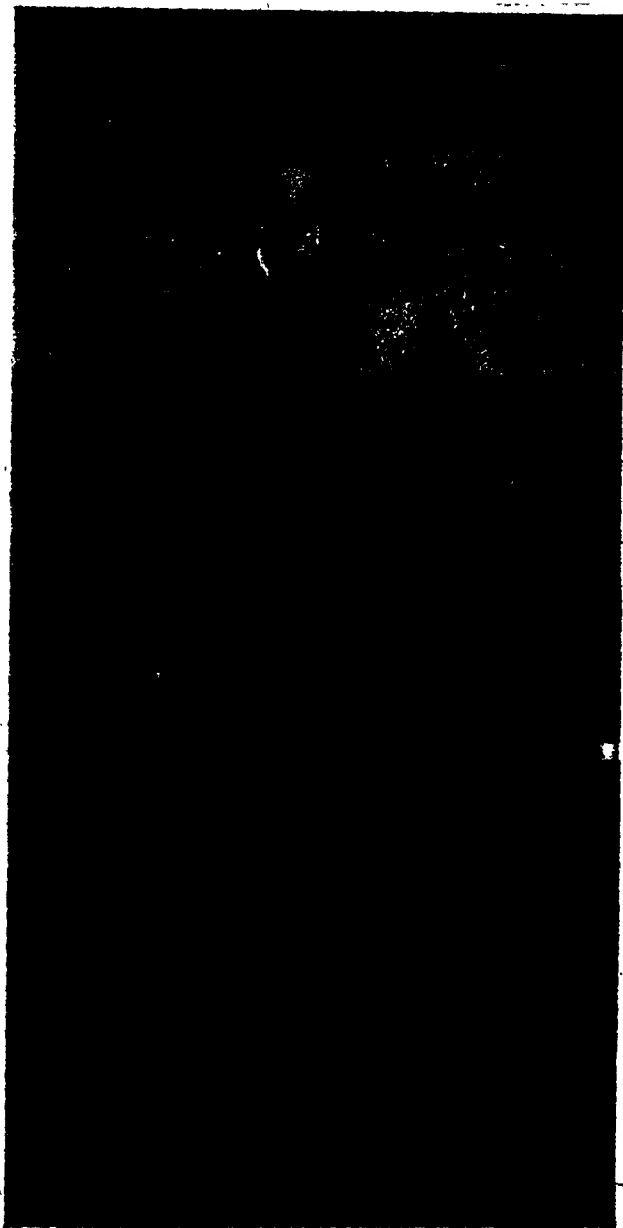


Courtesy of T. Bengough.

GEORGE STEPHEN AT THE HELM

NOW THAT he had undertaken the presidency of the Canadian Pacific Railway, George Stéphen practised his gospel of concentrating on the work in hand. This was not the promotion of a small line in Minnesota, but the financing, construction and operation of a transcontinental railway through a sparsely populated and far from rich country, the physical features of which presented formidable engineering difficulties, the only chance of financial success depending on the railway being established as part of a fast, through route between Europe and the Orient. Unless this ocean traffic could be secured, the road, as he said to a friend, must break of its own weight.

So far the Canadian Pacific had been conceived in Canada as purely a political enterprise, made conditional on British Columbia joining Confederation, commencing in the East at Lake Nipissing so as to avoid jealousy between Montreal and Toronto, with an understanding that the Canada Central would provide the extension to Ottawa. But even Ottawa was over a hundred miles from the nearest Atlantic port of Montreal, and Montreal was seven hundred and forty-two miles distant by railway from Saint John, and eight hundred and forty-one miles from Halifax—the two winter ports. On the Pacific coast, the value of Port Moody for ocean traffic was subject to dispute. Extension to Montreal was essential for any reasonable share of the summer traffic on the Atlantic, and extension to the winter ports either by running rights over the Intercolonial or else by a short line to Saint John was necessary for winter traffic with Europe. Canada was far from self-supporting, and without foreign trade had not sufficient business for a railway even half across the continent. The white population of British Columbia was only ten thousand. It was fortunate that there were existing railways available for the neces-



From the painting by Sir George Reid.

Baron Mount Stephen, G.C.V.O.
(George Stephen) (1829-1921)
First President of the Canadian Pacific.

sary extensions in the east. There must be an increase of population all over Canada, for an undertaking so costly could not be carried by four million people. This meant not only propaganda for immigration but also facilities for the early settlement or employment of the immigrants when they came. Half the subsidy for the railway was in land, and could be counted an asset only if it was sold. As early as February we find Stephen writing a letter to the Right Honourable W. E. Foster, Gladstone's Chief Secretary for Ireland, suggesting a settlement plan with ready-made farms in Canada to be organised in co-operation with the British government so as to provide an outlet for the distressed Irish. Foster was interested, but Gladstone was opposed to the scheme. On April seventh Stephen wrote to Macdonald from London, saying that he would have to return to England in the autumn in order to follow up his colonisation plans.

Stephen had learned from Jim Hill the secret that a successful railway must create most of its own traffic. It was not sufficient to lay tracks, buy equipment and run trains. A traffic soliciting and creating organisation must be formed to find the shipments and the passengers required for adequate revenues, and for overseas traffic there must be steamship connections.

But before the steamship connections could be planned, the overland railway itself must be built, and built quickly, for as a business man he knew that capital must not lie idle. A government could afford to proceed leisurely, counting on future generations of taxpayers to pay for its procrastinations, but investors must have immediate returns.

The organisation meeting of the Board of Directors was held on February seventeenth. Charles Drinkwater, who had served Sir John Macdonald as private secretary for nine years and then acquired railway experience on the Canada Central, was appointed secretary, and J. J. C. Abbott, counsel. A. B. Stickney, a New Hampshire man, who had been superintendent of construction on the St. Paul, Minneapolis and Manitoba Railroad, was named general superintendent of the Western Division and was sent west with W. R. Baker, a former government official, as assistant; William Harder became assistant traffic manager; Joel May,

superintendents and F. C. Butterfield, master mechanic. I. G. Ogden was brought up from the Chicago and Pacific Railway to Winnipeg as auditor. Winnipeg was the original centre of opera-



Joseph Chapleau, Premier of Quebec,
joins Macdonald in his Railway
Programme
From *L'Opinion Publique*.

tions, for there immediate returns were in sight from the heavy incoming settlement from the United States over the line from St. Vincent, and the government had already contracted for the line two hundred miles west of Winnipeg. As chief engineer of construction in the west, J. J. Hill selected General Thomas Lafayette Rosser, who had fought on the Confederate side in the Civil War against his old neighbour and classmate, General Custer. More recently Rosser had led the surveys for the Northern Pacific, escorted through the hostile Sioux country by cavalry under Custer himself.

Major A. B. Rogers was a New Englander, born in 1829, who in his youth went to sea as a ship's carpenter, returning to land to study engineering at Brown's University and at Yale, from which he graduated early in the 'fifties. A veteran of the Indian War of 1862, where he took part in the defence of St. Peter, he was engaged on construction for the Chicago, Milwaukee and St. Paul; the Minneapolis and St. Louis, and the Hastings and Dakota Railroads. His ingenuity in discovering economical locations attracted the attention of Hill, who engaged him to survey for a practical route through the Canadian Rockies further south than the Yellowhead Pass. He does not appear to have had experience in mountain work, but Hill naturally selected men whom he knew, having the "hire and fire" methods frequent in American practice at that time. Rogers was not long enough under his dictatorship to be "fired." Hill, who had extensive fuel interests, had reports on coal-bearing areas in the southern

prairies and British Columbia, which convinced him that it would be more profitable to locate the Canadian transcontinental nearer the international boundary, so as to secure paying local traffic from the very first. On the Yellowhead route the nearest coal field to Winnipeg was at Edmonton. Sanford Fleming was out of favour and his choice of route was, in any case, too far north, as it left a large territory open to possible incursions of the Northern Pacific.

Major Rogers left Kamloops on April twenty-ninth with his nephew, A. L. Rogers, and ten Indian guides. These were engaged through the good offices of an Oblate Mission, the terms being that if any came back without a letter of good report, his wages were to go to the church, and his chief was to give him a hundred lashes on the bare back. Major Rogers, nicknamed "The Bishop," on account of his vocabulary, is described by J. H. E. Secretan, one of Fleming's protégés, as

"a rough and ready engineer, or rather pathfinder. A short, sharp, snappy little chap with long Dundreary whiskers. He was a master of picturesque profanity, who continually chewed tobacco and was an artist in exhortation. He wore overalls with pockets behind, and had a plug of tobacco in one pocket and a sea-biscuit in the other, which was his idea of a season's provisions for an engineer. His scientific equipment consisted of a compass and an aneroid slung around his neck."—From *Canada's Great Highway*, John Lane, the Bodley Head.



The Hydra-headed Syndicate
(R. B. Angus, George Stephen
and Duncan McIntyre)

From a cartoon in *Grip* by J. W.
Bengough.

Courtesy of T. Bengough.

Rogers had been advised by Walter Moberly to follow up the lead from which he himself had been diverted by Sanford Fleming, and look for a pass over the Selkirks along the south fork of the Illecillewaet River. A. L. Rogers has told the tale of that first year's survey:

"Being gaunt as greyhounds, with lungs and muscles of the best, we soon reached the timber-line, where the climbing became very difficult. We crawled along the ledges, getting a toe-hold here and a finger-hold there, keeping in the shade as much as possible and kicking toe-holes in the snow-crust. When several hundred feet above the timber-line, we followed a narrow ledge around a point that was exposed to the sun. (Here four Indians fell over the ledge.) It was late in the evening when we reached the summit, very much exhausted.

"Crawling along this ridge, we came to a small ledge protected from the wind by a great perpendicular rock. Here we decided to wait until the crust again formed on the snow and the morning light enabled us to travel. At ten o'clock it was still twilight, on the peaks, but the valleys below were filled with the deepest gloom. We wrapped ourselves in our blankets and nibbled at our dry meat and bannock, stamping our feet in the snow to keep them from freezing, and taking turns at whipping each other with our pack-straps to keep up circulation.

"Only four hours we waited, but it seemed as if those four hours outran all time. At two o'clock dawn began to glimmer in the east, and as soon as we were able to distinguish objects we were only too glad to crawl back to the ridge. Coming to the foot of the great triangular peak we had named Syndicate, we traced the valley to the upper south fork of the Illecillewaet, and found that it extended but a short distance in a southerly direction, and paralleled the valley on the opposite side of the diving range, through which, we concluded, ran the waters of the Beaver, which emptied into the Columbia on the east side of the Selkirks."—From *The Selkirk Range*, by A. O. Wheeler, Ottawa.



Charles Drinkwater, First Secretary of the C. P. R.

For lack of supplies Rogers had to return, leaving to next season the exploration of an approach to this pass from the eastern slope of the Selkirks.

Farther west, in rockbound defiles of the Fraser Canyon, Onderdonk was blasting and cutting a roadbed for the transcontinental railway alongside and replacing the old Cariboo Road. The account of an eyewitness gives as vivid a story as anyone could wish for:



Major A. B. Rogers, Chief Engineer, Mountain Division

"For nearly sixty miles from Yale to Lytton, the river has cut through this lofty range, thousands of feet below the summits. Mountain spurs of granite rock, with perpendicular faces hundreds of feet in height, project at short intervals along the entire passage. Between them are deep, lateral gorges, canyons and plunging cataracts. On this sixty miles of tunnels, rock work and bridges, the greater portion of Mr. Onderdonk's construction army of 7,000 men have been engaged since 1880. The loud roar of enormous discharges of giant powder has almost constantly reverberated among the mountains. Fifteen tunnels have been bored, one 1,600 feet in length, and millions of tons of rock blasted and rolled with the noise of an avalanche into the rushing, boiling Fraser; workmen have been suspended by ropes hundreds of feet down the perpendicular sides of the mountains to blast a foot hold; supplies have been packed in upon the backs of mules and horses, over trails where the Indians were accustomed to use ladders, and building materials landed upon the opposite bank of the river at an enormous expense, and crossed in Indian canoes. It is estimated that portions of this work have cost \$300,000 to the mile. In addition to other transportation charges, Mr. Onderdonk pays \$10.00 for every ton of his freight passing over the Yale-Cariboo Wagon Road, excepting for the productions of the Province.

"As the work progressed the cost of transportation by such means increased until Mr. Onderdonk determined to try and run a steamer through the Grand Canyon of the Fraser to the navigable waters above to supply the advance camps. For this purpose he built the steamer *Skuzzy*. Then came the difficulty of finding a captain able and willing to take her through. One after another

went up and looked at the little boat, then at the awful canyon, the rushing river and the swift foaming rapids, and turned back, either pronouncing the ascent impossible or refusing to undertake it. Finally Captains S. R. and David Smith, brothers, were sent for, both well known for their remarkable feats of steamboating on the upper waters of the Columbia. The former ran the steamer *Shoshone* 1,000 miles down the Snake River through the Blue Mountains—the only boat which ever did, or probably ever will, make the perilous passage. He also ran a steamer safely over the falls of Willamette at Oregon City. He said he could take the *Skuzzy* up, and provided with a crew of seventeen men, including J. W. Burse, a skilful engineer, with a steam winch and capstain and several great hawsers, began the ascent. At the end of seven days, I found them just below Hell Gate, having lined safely through the roaring Black Canyon, through which pent-up waters rush like a millrace at 20 miles an hour. Returning from my journey to the interior, I had the pleasure of congratulating the captain upon the successful accomplishment of the undertaking, and of seeing the *Skuzzy* start from Boston Bar with her first load of freight. Captain Smith said the hardest tug of war was at China Riffle, where, in addition to the engines, the steam winch, and 15 men at the Capstain, a force of 150 Chinamen upon a third line was required to pull her over! The captains received \$2,250 for their work.”—Chittenden’s *Guide or Travel Through the Cascade Mountains*, Victoria, B. C., 1882.

The steamer *Skuzzy* was a craft of one hundred and twenty tons register built by Onderdonk’s men under the supervision of William Dalton, master shipwright. She measured one hundred and twenty feet in length over all, with twenty-four feet beam and four and one-half feet depth of hold. In addition to her propelling power of two horizontal engines she had a steam winch placed in her bows to enable her to warp through the chutes and rapids. This was also driven by two engines and was geared up to produce one hundred horsepower. The hull of the *Skuzzy* was divided into twenty compartments each partitioned off from the other by watertight bulkheads, so that she could not be sunk even though half her bottom was torn out:

“She finally reached her goal after a two weeks’ battle, tight as a bottle, but sans guards, sans paint and as dilapidated externally

as the salmon one sees on the Upper Fraser who have made a trip through the Canyon."—*The Resources of British Columbia*, October 1, 1883.

In order to speed up the work and avoid the danger of explosions in transit, dynamite was manufactured on the line between Emory and Yale. Chittenden gives an account of the dynamite plant:

"The acid works contained 2 vitriol chambers, made of lead, air tight, the largest 62 feet long, 22 feet wide, and 20 feet high; 24 glass condensers for holding sulphuric acid nearly as large as barrels, costing from \$30 to \$40 each; 24 great earthen jars for nitric acid, and about 200 tons of brimstone from Japan, and 60 tons of nitrate of soda from Chile. At the nitro-glycerine and giant cartridge works a force of 16 men were manufacturing the terrible explosives at the rate of 1200 lbs. a day. It requires about two hours to make the powder after the sulphuric and nitric acids and the sweet glycerine are made from strong paper dipped in hot paraffine and wax, and are from five-eighths to 1 inch in diameter—118 weighing, when filled, about 50 lbs."

Recent investigations by the government botanist, Professor John Macoun, had shown that the fertile belt was not limited to the Saskatchewan Valley and that Regina, for instance, was the centre of farm land as rich as could be found in North America, and that there were immense coal fields below the ranching country of southern Alberta. Macoun declared that Palliser was wrong in condemning the prairies of Saskatchewan and Alberta as unsuited for settlement:

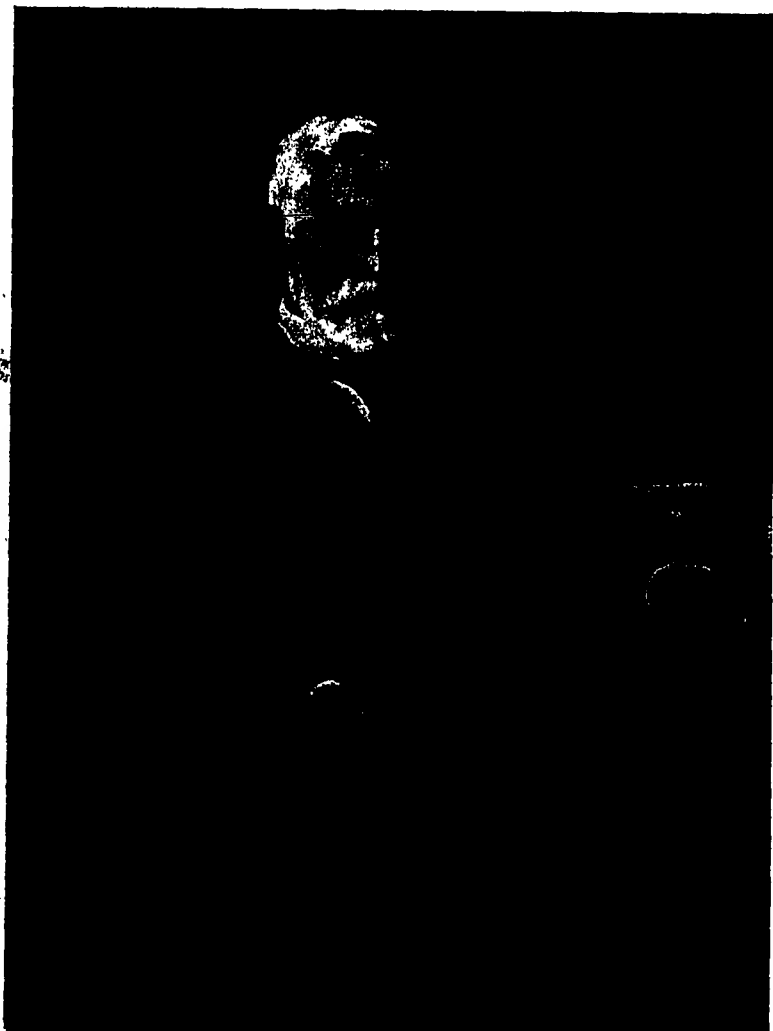
"Where Palliser could not get grass for his horses, we could scarcely get through for its luxuriance. . . . Owing to the grass having been cropped off by the enormous herds of buffalo which ranged the country in Palliser's time, he received the impression that the country was arid and the pasture worthless. . . . I am quite safe in saying that 80% of the whole country is suited for the raising of grain and cattle, and would not be the least surprised if future explorers formed a more favourable estimate."

If the route through the Kicking Horse Pass could be continued direct west over the Selkirks to Kamloops, this was the commercial route.

Stephen was joined in England by R. B. Angus and Duncan McIntyre, the first shareholders' meeting being held on March twenty-ninth, in offices taken for the new company at 18 Parliament Street in London. There were just four shareholders present, the fourth being Stephen's son-in-law, Henry Stafford Northcote, M. P. for Exeter (holding one thousand eight hundred and sixty shares), who brought in the politically powerful influence of the Northcote family. Henry Stafford Northcote, later to become governor-general of the Commonwealth of Australia, had attended the Washington Joint Commission of 1871 as attaché. His father, Sir Stafford Northcote, one of the Joint High Commissioners, was Governor of the Hudson's Bay Company, and paid a visit to Canada in connection with that concern. Henry Stafford went with him and fell in love with George Stephen's adopted daughter, Alice, whom he eventually married. Sir Stafford Northcote was an intimate friend and supporter of Disraeli, and served as his chancellor of the exchequer with Henry Stafford as private secretary until the general election of 1880 swept Disraeli from office. The knowledge of finance and connections gained in this chancellorship made young Northcote a valuable ally in London for the new company.

At the second shareholders' meeting, held two days later, it was agreed to acquire the Canada Central, and authority was secured to commence construction at various points in the east and on the prairies, including a bridge over the St. Mary River at Sault Ste. Marie, the intention being to build a line which would link up there with the South Shore and Atlantic Railway which the St. Paul, Minneapolis and Manitoba Railroad planned to acquire so as to connect St. Paul with Sault Ste. Marie by way of Duluth.

An Order-in-Council was passed at Ottawa on April ninth authorising transfer of already constructed track on the prairie to the new company. Surveying parties started from Winnipeg on May second and the line west from Winnipeg to Portage was re-located and shortened. A line was started running south on the west side of the Red River to connect with a branch of the St. Paul, Minneapolis and Manitoba Railroad at Gretna, branching



From the painting by Wyatt Eaton.

R. B. Angus.
(1831-1922).

Director of the Canadian Pacific Railway Company from its inception in 1881
until his death.



CANADA AT A DISCOUNT

UNCLE SAM.—WHO'S THE JUVENILE, JOHN?
J. BULL.—I DON'T KNOW 'IM. SOME OF MY COLONIES, I FANCY.

From a cartoon in *Grip* by J. W. Bengough.

Courtesy of T. Bengough.

off itself a little north of the International Boundary which it paralleled westward. Another branch was located southwesterly from Brandon in the direction of the Souris River and Turtle Mountain district to within about twenty-four miles of the International Boundary, which it also paralleled westward. Two other branches ran northwesterly from the main line. These branches opened up good farm land, facilitated settlement and provided a security for land grant mortgage bonds.

The men on the survey, of course, looked at things in a different light from the financiers in Montreal. One picked up the bleached skull of a Cree Indian and wrote on it his thoughts in rhyme:

"Long have I roamed these dreary plains
I've used up horses, men and brains;

STEEL OF EMPIRE

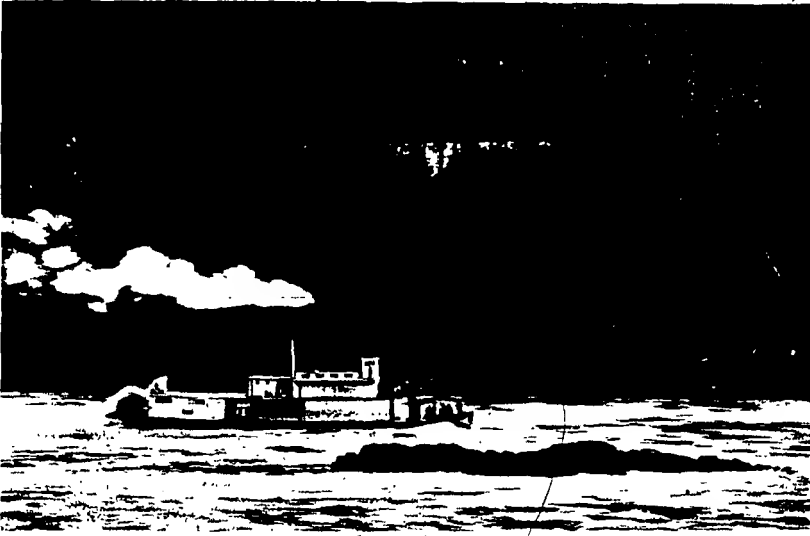
And oft from virtue's path I've strayed
 To find a fifty-two foot grade.
 But now, thank God! I'll take a rest,
 Content I've done my level best.
 To this green earth I'll say farewell
 And run a railway line through hell."

J. J. Hill arranged extensive publicity for Manitoba through the St. Paul, Minneapolis and Manitoba Railroad, so successfully that some twenty thousand immigrants arrived in that first season. The railway was pushed west and was in operation as far as Brandon by November.

Whereas the Mackenzie government had favoured Selkirk as the railway centre for Manitoba, following Sandford Fleming's engineering advice, Manitobans themselves had declared for Winnipeg, and Winnipeggers found the money for the Lake Louise bridge which made their city the crossing point of the Red River. On July 26, 1881, the Canadian Pacific Railway ran its first train over this bridge into Winnipeg, which now was booming.

Plans were made to secure co-operation with the Ontario and Quebec Railway which had a charter, making possible a competitive route with the Grand Trunk between Montreal and Toronto. George Stephen and Duncan McIntyre were elected directors of this railway on July twentieth. E. B. Osler, the president of the Ontario and Quebec, was one of the outstanding financial figures in Toronto, and joined the directorate of the Canadian Pacific when the "O. and Q.," as it was called, was absorbed. In August, Stephen made a visit of inspection to Winnipeg, accompanied by H. S. Northcote.

In August and September, Sir Charles Tupper, Minister of Railways, made a trip over the lines in British Columbia which were being constructed under the government contract with Onderdonk. He was accompanied by Collingwood Schreiber, chief engineer of railways for the government, and by Andrew Robertson, a Montreal merchant, who was sent out by George Stephen to report on the advisability of building a railway on Vancouver Island from Victoria to Nanaimo.



Courtesy of Provincial Library and Archives, Victoria, B.C.

The *Skuzzy*, Built by Onderdonk to Navigate the Rapids of the Fraser River.

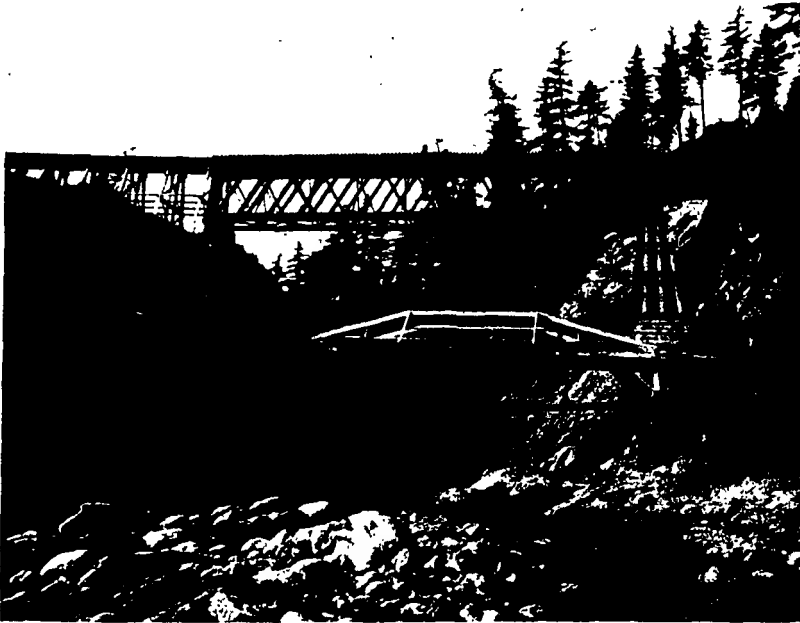


Photo by Maynard F. Macdonald & Son, Victoria, B.C.

Cariboo Road and Original C. P. R. Bridge at Skuzzum, B. C.



From a painting by G. Horne Russell, R.C.A.
Mount Stephen.



From a sketch by Sydney P. Hall.
Courtesy of the Editor of *The Sphere*.

The Marquis of Lorne, Governor-General, Holds a Powwow with
Indians at Black Feet Crossing.

Another visitor to the west this year was the Marquis of Lorne, Governor-General of Canada, whose royal consort, Princess Louise, was as beautiful as he was handsome. Lord Lorne was a poet with a flair for oratory, and his flowery encomiums on the Dominion were considered good immigration propaganda and widely publicised. Here follows an extract from a speech he made at the Manitoba Club:

"In the railway you will have a beautiful approach to the Pacific. The line after traversing for days the plains will come upon the rivers, whose sheltering valleys have all the same character. The river beds are like great moats in a modern fortress. You do not see them till close upon them. As in the glacis and rampart of a fortress the shot can search across the smoother surfaces above the ditch, so any winds that may arise may sweep across the levels above the river forces. The streams run coursing along the sunken levels in these vast ditches which are sometimes miles in width. Sheltered by the banks, knolls or cliffs which form the margin of their excavated bounds, are woods, generally of poplar, except in the northern and western fir fringes. On approaching the mountains, their snow caps look like huge tents encamped along the rolling prairie. Down from this great camp, of which a length of one hundred and fifty miles is sometimes visible, the rivers wind in trenches, looking like the covered ways by which siege works zig-zag up to a besieged city. On a nearer view the camp line changes to ruined marble palaces; and through their tremendous walls and giant woods you will soon be dashing on a train for a winter basking on the warm Pacific. You have a country whose value it would be insanity to question; and which, to judge from the emigration taking place from other Provinces, will be indissolubly linked with them. It must support a vast population.

"Canada is a land which will be a land of power among the nations. Mistress of a zone of territory favourable for the maintenance of a numerous homogeneous white population, Canada must, to judge from the increase in her strength during the past, and from the many and vast opportunities for the growth of that strength in the new Provinces in the future, become great and worthy her position on the earth. Affording the best and safest highway between Asia and Europe, she will see traffic from both directed to her coasts. With a hand upon either ocean, she will gather from each for the benefit of her hardy millions a share of the commerce of the world. To the East and to the West she will pour forth of her abundance, her treasures of food and the



Edward Blake on the Warpath
From a cartoon in *Grip* by J. W.
Bengough.

Courtesy of T. Pengough.

riches of her mines and of her forests, demanded of her by the less fortunate of mankind."

Of the twenty-five million dollar Land Grant Mortgage Bonds authorised, ten million dollars were put on the market. It was then that George Stephen was forced to realise that the Rocky Mountains and the forest swamp-land north of Lake Superior were not the major problems, but that the rivals and critics of the company were interjecting mountains and muskets of still more formidable proportions in the money market. One mouthpiece of these critics in London was Henry Labouchere, editor of the weekly *Truth*, the Voltaire of the Victorian Age, cynical gadfly of London's financial press and watchdog of the speculative public's purse.

In his own youth, towards the end of the year 1853, Labouchere spent six weeks camping and hunting with Chief Hole in Heaven of the Chippewa Indians in the prairies west of St. Paul, and in the following year served as attaché to the British Minister at Washington at a time when reciprocity between Canada and the United States was on the tapis. From his illustrious uncle, the Colonial Secretary of 1857, who died in 1869, he inherited a large fortune and a prejudice against British Columbia. *Truth's* article of September 1, 1881, on the "Canadian Dominion Bubble" has become a classic.

"The Canadian Dominion Bubble"

"The Canadian Pacific Railroad Company has begun, I see, to launch its bonds. A group of Montreal and New York bankers have undertaken to float ten million dollars worth of the company's land grant bonds, and the Bank of Montreal, with its usual courage, has taken one-fourth of the entire loan. This announcement looks as if the Canadians were going to raise the necessary

capital on the other side of the water, but I have a shrewd suspicion that they have no real intention of doing anything of the kind. The New Yorkers are keen enough gamblers, and reckless enough at times I admit, and yet it is impossible to believe that they are such fools as to put their money into this mad project. I would as soon credit them with a willingness to subscribe hard cash in support of a scheme for the utilization of icebergs. The Canadian Pacific Railway will run, if it is ever finished, through a country frost bound for seven or eight months in the year, and will connect with the western part of the Dominion a province which embraces about as forbidding a country as any on the face of the earth. British Columbia, they say, has forced on the execution of this part of the contract under which they become incorporated with the Dominion, and believe that prosperity will come to them when the line is made. This is a delusion on their part. British Columbia is a barren, cold, mountain country that is not worth keeping. It would never have been inhabited at all, unless by trappers of the Hudson's Bay Company, had the 'gold fever' not taken a party of mining adventurers there, and ever since that fever died down, the place has been going from bad to worse. Fifty railroads would not galvanize it into prosperity.

"Nevertheless, the Canadian Government has fairly launched into this project and I have no doubt the English public will soon be asked to further it with their cash. The parade of selling bonds in New York and Montreal is the new way of doing business that 'Syndicates' bankers and loan contractors have adopted in order that it may seem that they have faith in the schemes they father. I doubt if ten millions of dollars of ready cash could be found in all of Canada for this or any other work of utility at a pinch, but the Canadians are not such idiots as to part with one dollar of their own if they can borrow their neighbors. The Canadians spend money and we provide it. That has been the arrangement



I'm a C.P.R. young man,
A great N.P. young man,
A practical-policy (just like St. Paul, ye see)*
Dish-all-the-Grits young man.

From a cartoon in *Grip* by J. W.
Bengough.

Courtesy of T. Bengough.

hitherto, and it has worked out splendidly—for the Canadians—too well for them to try any other scheme with the Canadian Pacific, which they must know is never likely to pay a single red cent of interest on the money that may be sunk in it. A friend of mine told me—and he knew what he was talking about—that he did not believe the much-touted Manitoba settlement would hold out many years. The people who have gone there cannot stand the coldness of the winters. Men and cattle are frozen to death in numbers that would rather startle the intending settler if he knew; and those who are not killed outright, are often maimed for life by frostbites. Its street nuisances kill people with malaria, or drive them mad with plagues of insects; and to keep themselves alive during the long winter they have to imitate the habits of the Esquimaux. Those who want to know what it is like should read the not-yet-forgotten books of Colonel Butler. His *Great Lone Land* is the land of which the Canadian Pacific Railway has yet five and twenty million acres to sell and it is through a death-dealing region of this kind that the new railway is to run.

"As the bonds 'secured' on this land or others guaranteed by the Dominion Government are sure to be offered in this market by the 'Bankers' and others forming the company, I think a word or two on Canadian finances in general would be in season.

"Canada is one of the most over-rated Colonies we have, but it is heartily 'loyal' and makes the loyalty pay. Its astute inhabitants know well how to work on John Bull's susceptibilities, and I have seen nothing finer in the way of advertising than poor Lord Lorne's 'Tour' now in progress. He has gone to the north, but just at the right time, and the gushing accounts we are receiving from the 'specials' who are accompanying him are admirably adapted to create a belief that the true land of promise is to be found there at last. With such soil to till, and among such Queen worshippers, the distressed British farmer would be in bliss. Of course they who choose can believe all that. For my part I know of only one province in the whole Dominion—that of Ontario. 'It is the only province,' as a shrewd land jobber said to me once, 'where you can lend money on land with any hope of ever seeing your own again.' As for the country as a whole it is poor and it is crushed with debt. The Supreme Government owes about thirty-five million pounds altogether, and every province has its separate debt, as also has almost every collection of shanties calling itself a 'city.' The Province and the City of Quebec are both notoriously bankrupt, and the latter was obliged to go to Paris with its last loan, probably because nobody would

lend it here. Last year the country had the benefit of a good crop and a good market here, so that it did a little better, but generally it has hard work to make both ends meet, and often couldn't. Nearly every year it comes for a new loan or two, and once it is fairly committed to making this new railway I see nothing before it but bankruptcy. While the money is being spent all will go well enough, perhaps, but in the end the Dominion will have to go into liquidation. It amazes me that its stocks stand where they do, as things are, but if people took the trouble to look beneath the surface, prices would be very different. One of these days when the load gets too heavy, Ontario is pretty certain to go over to the States into which it dove-tails, and where its best trade outlet is. When the day comes the 'Dominion' will disappear. With the contingency ahead and with the prospect of another fifty million pounds or so to be added to the debt, can it be said that 'Canadian Unguaranteed Four Per Cent' are worth their present price? This 'Dominion' is, in short 'a fraud' all through and is destined to burst up like any other fraud. Then, and not, I suppose, till then, the British taxpayer will ask why we guaranteed so much of this sham Government debt."



Sir John Abbott: First Counsel for the C. P. R. Afterwards Prime Minister of Canada.

The blast from *Truth* was echoed by some milder thundering from the *Times*, but in spite of all this the average price realised from the issue of bonds was ninety-two.

But there were other dangers nearer home, as is evidenced by a letter from Sir John Macdonald to George Stephen dated October 19, 1881:

"I am very uneasy about the movements of the Northern Pacific and the Quebec Government. The latter is, of course, anxious to sell to the highest bidder, and the N. P. are beyond a doubt anxious to get a foothold in Canada.

"The President of the S. W. R. (Schultz's road) has taken a house here and says that the N. P. R. is to be a factor of no small importance at the next general elections. He is a fool—or he would not have said so—but he did say so, and to J. H. Pope.

Yesterday I got a letter from a good friend of ours in Montreal who is deeply interested in Canadian politics. He writes as follows: There are strange rumours about railways. It is said the N. Pacific are about to purchase the Quebec railways for ten millions and to connect them with their system at Sault Ste. Marie. If this is true it means danger ahead. The N. Pacific are very anxious to get into Manitoba and N. W.—and they think that by coming to the rescue of the Province at a moment when the syndicate people are supposed to be unwilling, they can secure a solid Quebec vote in the House of Commons against any veto of Provincial legislation in Manitoba in the interest of the Northern Pacific connection. I don't like the look of things, and Chapleau is not improving them, while that d—d ass —, in his interview with the *Globe* reporter has made them worse!

"So much for the rumours. Langevin has seen Chapleau who has lately been in New York, no doubt for the purpose of seeing the N. P. people—but offers have been made—Chapleau says—and he must act one way or the other at once. As the elections for Quebec are soon to come off, and the Government policy must be declared, of course Chapleau will magnify the offers in order to get a good thing out of you—but there is danger ahead, and if you act at all, you must act at once. I send this to Drinkwater to forward to you, as the sooner you get it the better."—From *Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

This may have been Chapleau's diplomatic way of overcoming the procrastination of "Old Tomorrow," as Sir John A. Macdonald was frequently nicknamed. Ever since he became Premier of Quebec, Joseph Chapleau had demanded of Macdonald that he should implement Cartier's promise to make the North Shore Railway, connecting Montreal with Quebec, part of the Canadian Pacific System. This railway had already cost the Province nearly fourteen million dollars, and was steadily losing money. If he could suggest that the Northern Pacific was in the market, "Old Tomorrow" might wake up.

An official memorandum issued by George Stephen to reassure investors respecting the position and prospects of the Canadian Pacific Railway recapitulated what had been done during the year and stated:

"With all the advantages it will possess of less mileage, easier

grades, of using its own rails from ocean to ocean, and probably free from bonded debt, the Canadian Pacific Railway will be in a position to command its full share of the traffic from China and Japan, which is now carried by the Union and Central Pacific, as well as that of the Pacific Coast as far South as San Francisco. The Directors, whilst not underestimating the many difficulties to be overcome, have the utmost confidence in the rapid settlement of the country, and in the success of the Canadian Pacific Railway as a commercial as well as a National enterprise."

It was, however, clear that prompt and vigorous action must be taken to show the world that the Canadian Pacific Railway meant business and had come to stay. Legislation was asked on December twentieth requesting permission to select a more southern route than that by the Yellowhead Pass. Some more dynamic manager than Stickney must be found to speed up construction. Jim Hill found the new man in William Cornelius Van Horne, general manager of the Chicago, Milwaukee and St. Paul Railroad, whom we last saw as a young lad at Chelsea, Illinois, standing in front of a log cabin, on the La Porte Road, watching the prairie schooners setting out on their long trail to Oregon. Making a trip of inspection so that he could see the western Canadian prairies for himself, Van Horne decided to cast his lot with this new trans-continental railway across Canada, and arrived in Winnipeg to take up office on December 31, 1881, bringing with him as general superintendent, John M. Egan, who had served him well on construction on the Southern Minnesota Railroad.

Another whom he had asked to come with him but who refused was Thomas G. Shaughnessy, general storekeeper of the Chicago, Milwaukee and St. Paul. Shaughnessy, who changed his mind ten months later and rose to be Van Horne's own successor as chairman and president of the Canadian Pacific Railway, was the son of an Irish immigrant who came to Milwaukee practically penniless as his money had been stolen on the voyage across. Shaughnessy in 1881 was interested in local politics as alderman of the Third Ward of Milwaukee and president of the board of aldermen. Canada was to him much more remote than his native Ireland. He had not read or heard any speeches of D'Arcy McGee, and took no interest in Fenian raids. Any time left over from his

railway job or city politics was reserved for solitaire or the reading of detective stories, or the local militia. Any disposition that he might have felt for being a cavalryman, however, was dissipated by an early experience in horse riding which convinced him that his physique was better suited for sitting in a railroad office. It was not until he had been swept into the current of a greater idea that his innate ability found its opportunity, and that as Lord Shaughnessy he inspired the nickname of "the Peer that made Milwaukee famous."

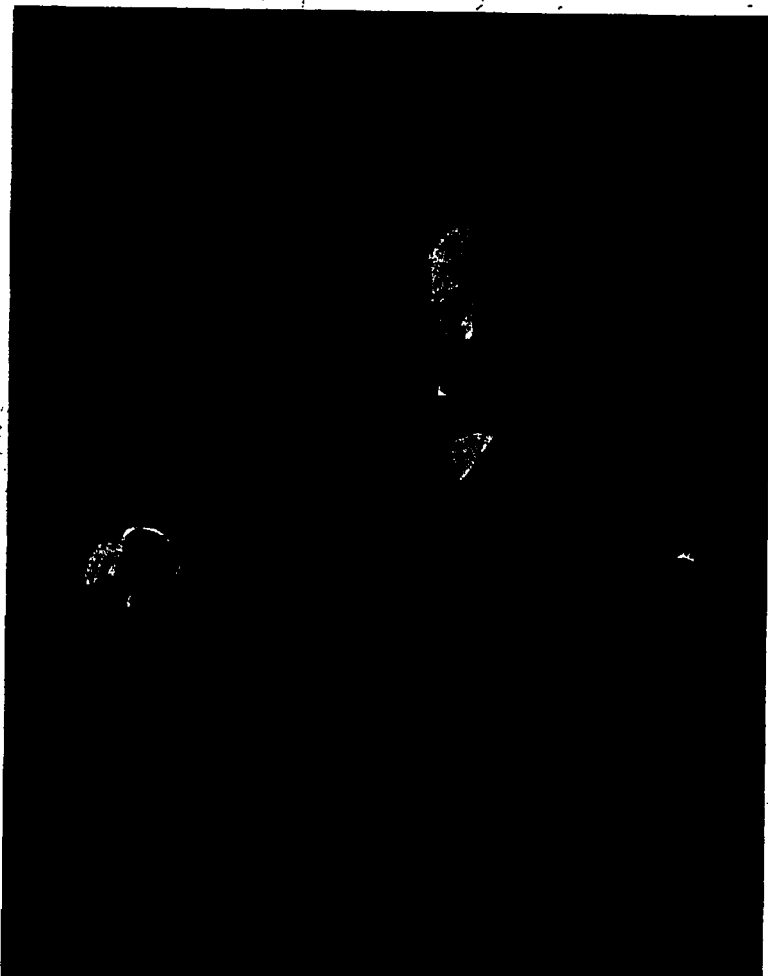
On the same day on which Van Horne arrived at Winnipeg, Sir John Macdonald wrote to Stephen:

"With five clear years ahead and a favourable Government at the head, the C. P. R. can go on its own way for its own interests, and in the long run its interests and those of the Dominion are identical."



Courtesy of T. Bengough.

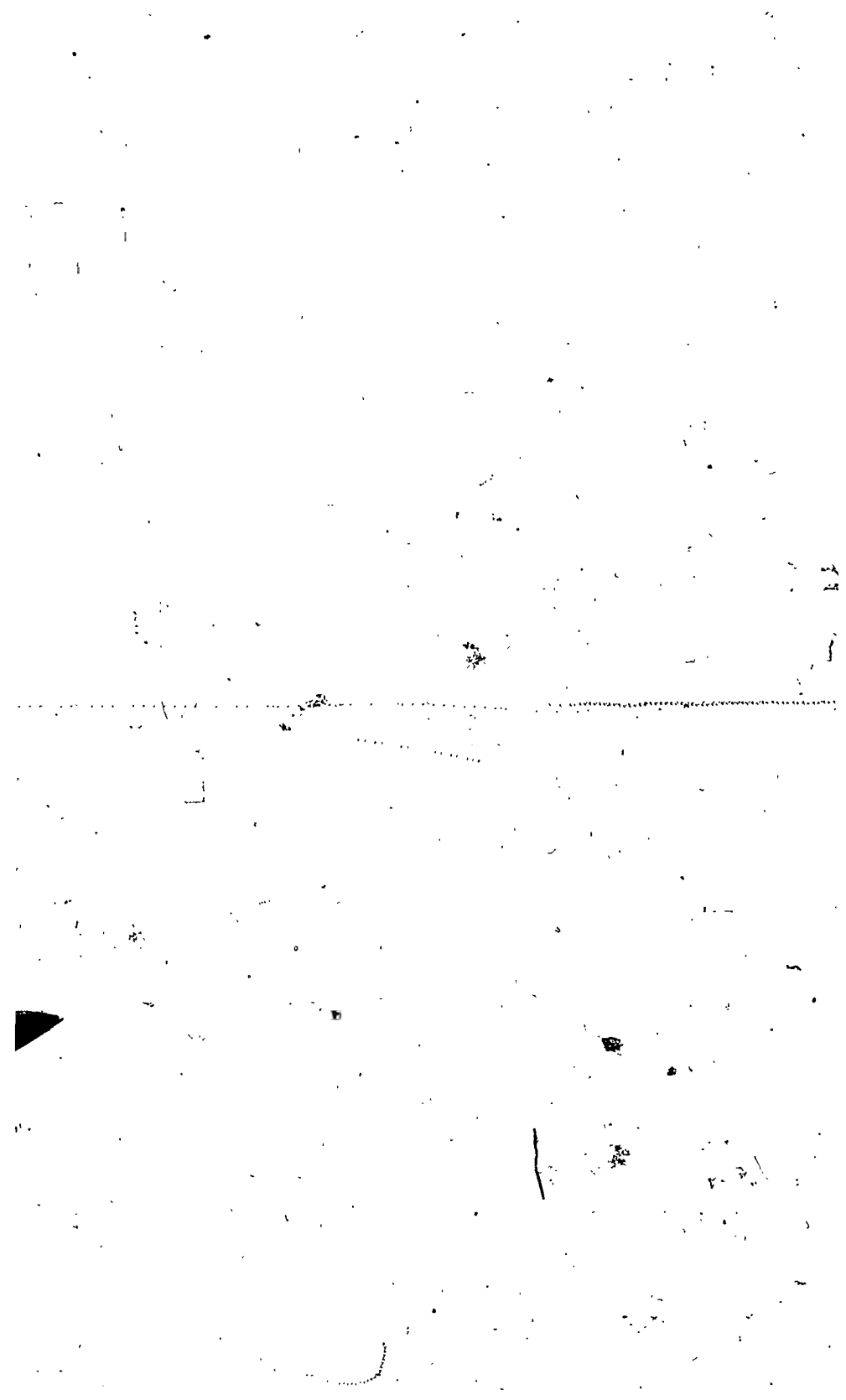
Cartoon by J. W. Bengough in Grip



From the painting by Wyatt Eaton.

Sir William Cornelius Van Horne, K.C.M.G.
(1843-1915)

First Chairman and Second President of the Canadian Pacific.



HUSTLE AND PROGRESS

HERE is where another idea comes in, the American idea of hustle, eager for any device that may mean the saving of a day, an hour, a minute, organising for speed, impatient of elaborate, methodical balancing of pros and cons and trusting rather to "hunches," restless in its energy, ruthless in its disregard of precedent, if precedent meant delay.

"If you want anything done," said Van Horne, "name the day when it must be finished. If I order a thing done in a specified time and the man to whom I give that order says it is impossible to carry it out—then he must go."

J. H. E. Secretan confirms this in the story of his first interview with the man whom he calls the Czar of the C. P. R.:

"The first year, under General Rosser, I had about four hundred miles of preliminary line run, as far as Moose Jaw Creek, when Van Horne sent for me and announced in a most autocratic manner that he wanted 'the shortest possible commercial line' between Winnipeg and Vancouver, also that he intended to build *five hundred miles* that summer, lay the track and have trains running over it. In discussing the projected location, I pointed out that such a line would often run through an infertile country, and made other objections; but he was adamant and said he did not care what it ran through . . . he was evidently bound to get there. . . . I doubted if he could possibly construct five hundred miles in a short summer (it was then probably about April) but he scowled at me fiercely, and before I left 'the presence' he informed me that 'nothing was impossible and if I could show him the road it was all he wanted, and if I *couldn't* he would have my scalp.' 'Thus ended a short but characteristic interview with the great magician! As a matter of fact, he did lay about four hundred and eighty miles of track that summer.'"—*Canada's Great Highway*," John Lane, the Bodley Head.

The blend of Dutch, French and German strains inherited by

William Cornelius Van Horne was galvanised by circumstance into an American complex of broad interests and enormous vitality. At the age of fourteen the necessity of supporting a widowed mother made him a telegraph messenger boy, but he used telegraphy as a stepping stone to railroad service. Joliet, the town to which his family moved in 1851, was an out and out railroad town with tracks at every hundred paces, so that he grew up, so to speak, in an inhabited railroad yard to the never ending orchestra of shunting cars and locomotive bells. In after years when he read Kipling's story "loof" in *The Day's Work* he visualised the scene of a fast express coming into a railroad town in a painting which delighted Kipling himself.

* From the Michigan Central, Van Horne passed to the Chicago and Alton, in which he rose to be superintendent at Chicago in his twenty-seventh year. Mastering every phase of railroad operation, he was chosen to rehabilitate the St. Louis, Kansas City and Northern, a task which he accomplished with notable success. In 1874 he was commissioned by some Eastern financial men to make a report on the Union Pacific, an opportunity which gave him insight into the problems and possibilities of a transcontinental line crossing the Rockies to do business with the Pacific coast. He was a friend of General Dodge and a particular friend and neighbour of Samuel B. Reed, a cousin of Mrs. Van Horne and engineer of construction on the mountain division of the Union Pacific, from whom he learned much about the problems of locating a railway in Alpine terrain. In this year, Van Horne was engaged as president and general manager to reorganise and rehabilitate the Southern Minnesota Railroad. Here he developed a genius for colonisation and construction, with the result that this railroad was recovered from the hands of its receiver, and was acquired as a profitable addition by the Chicago, Milwaukee and St. Paul. Following a brief return to the Chicago and Alton, he was appointed general superintendent and virtually general manager of the Milwaukee System in 1879, making his mark as one of the most brilliant executives in the American railway world. He was too big a man for Hill to be able to secure for the still small St. Paul, Minneapolis and Manitoba Railroad, but in this transconti-



BIRD'S EYE VIEW OF MANITOBA

From a sketch by J. W. Bengough.

Courtesy of T. Bengough.

nental Canadian Pacific, which was preparing to challenge the supremacy of the Union Pacific and had the backing of the government of an ambitious young country, Hill could offer an opportunity as well as a salary that was tempting. Van Horne had never been in Canada, but he had lived and worked in territory originally opened up by French Canadian fur traders on railroads carrying the names of originally French Canadian communities. The idea of a transportation system stretching to the Orient appealed to his imagination, and was in line with his personal interest. He was a hero worshipper, one of his heroes being Commodore Perry, who had dared where all the diplomats of Europe had hesitated and by his frank audacity had thrown open the gates of Japanese commerce to American and European traders. Of recent years the chance visit to a New York auction room had revealed to Van Horne the fascination of Japanese porcelain, and he had com-

menced the collection of Oriental wares which was soon to become world famous. Above all, here was a job after his own heart, in which he would have a free hand to solve the problem of creating traffic in virgin territory.



I. G. Ogden, First Financial Vice-President, C. P. R.

Canada, after all, was not a completely foreign country. A great many Canadians had crossed the boundary to volunteer for the North in the Civil War, and Canadians such as Jim Hill himself were to be found in every kind of business in the Middle West. They spoke the same language and had the same ideals. To make a move such as this was, of course, taking a chance, but Van Horne was a born gambler.

A trip to Winnipeg and a drive with Hill over the prairies of Manitoba convinced him. In spite of the opposition of his railroad friends who pointed out the folly of risking an assured future in his own country for a doubtful enterprise under the British flag, he pulled up his stakes for this new adventure.

Winnipeg received him coldly, for Americans were not too popular among those who had grown up in the Red River Settlement and who were brought up in the belief that the United States meant to grab the Northwest Territories just as Oregon had been grabbed. There were veterans of the Fenian raids, families sprung from the United Empire Loyalists, and old country immigrants who remembered the Boston Tea Party and looked on Americans as rebels. There were also the left-overs of the railway from the government régime who were accustomed to leisurely procedure, and in a number of cases were there to feather their nests, with a natural tendency to protect themselves by crying "foreigner." Here was a job requiring tact combined with ruthless efficiency.

All agree as to the ruthless efficiency. Van Horne was an engineer as well as a born organiser, familiar with every detail of railway operation. His ability to understand Morse signals by

sound gave him an uncanny knowledge of what passed over the telegraph wires. Within a few months he had a staff on which he could depend for an aggressive campaign of construction and operation. The weeding-out of the inefficient caused no hardship, as Manitoba was booming. There were jobs for everybody and fortunes were being made out of real estate speculation.

George H. Ham gives the picture as he saw it when Van Horne arrived:

"Sealskin coats and cloaks and diamond pins were greatly in evidence. The city was all ablaze with the excitement of prospective riches. Champagne replaced Scotch and soda, and game dinners were very common. Auction sales were held daily and nightly, and in the auction rooms of Jim Coolican, Walter Dufour and Joe Wolf people bought recklessly. Property changed hands quickly at greatly enhanced values. Certainly a land-office business was being done. The craze spread to the rural districts, and land surveyors and map artists worked overtime to fill orders. Lots in Winnipeg were plotted for miles beyond the city limits. If there ever was a fool's paradise, it sure was located in Winnipeg. Men made fortunes—mostly on paper—and life was one continuous joy ride."—*Reminiscences of a Raconteur*, McClelland and Stewart.

While the Winnipeggers were buying and selling lots, Van Horne was marshalling his forces for the greatest drive in the history of railway construction. A trip to Montreal gave him the opportunity of a heart to heart talk with George Stephen. Profiting by his experience on the Chicago, Milwaukee and St. Paul, he urged Stephen to have the Canadian Pacific build and operate its own sleeping, dining cars and telegraphs, and conduct its own Express Company, stating that "Express Companies take all the cream off the parcel traffic and leave the skim-milk to the railroads." Van Horne was able to purchase the charter of the Dominion Express Company which had been obtained by D. L. Macpherson, in May, 1873, and his other recommendations were also adopted. His policy of more speed in construction was also welcomed. The cash subsidy was not paid in a lump sum, but only in proportion to the track actually constructed by instalments of twenty miles, and more cash was needed.

Stephen was content to let Hill and McIntyre select the men

they wanted for the west and the east, and concerned himself more with the general financial problems and with plans for inducing colonisation from England. This was not plain sailing, for as he wrote to Macdonald from London on February sixteenth:



Tom Wilson, guide and outfitter for Major Rogers, and discoverer of Lake Louise.

"Jumbo, the big elephant bought by Barnum, is a matter of ten times more interest to London than twenty Colonies."—Letter in the Public Archives of Canada.

Van Horne enticed W. H. Kelson, of the Chicago, Milwaukee and St. Paul, to be his general storekeeper. Jim Hill provided him with a purchasing agent from St. Paul, but as this official did not fit into the new régime, Van Horne made a special trip to secure as general purchasing agent, Thomas G. Shaughnessy, whose organising ability and sterling integrity had always appealed to him. They met in a restaurant, and over a glass of Milwaukee beer, Shaughnessy agreed to come. But they were not all Americans. J. H. E. Secretan, who had worked ten years under Sandford Fleming, was retained, and when General Rosser resigned he was replaced by an Englishman, C. A. James, formerly of the Grand Trunk. Van Horne was his own engineer-in-chief, and every location had to receive his personal okay.

Ogden, the auditor, and James, the engineer, were both tall and slightly cadaverous, so much so that the local jest was that the station "Pile o' Bones," afterwards called Regina, was named after them. The real source of that name was, of course, the pile of buffalo bones stacked along the railway line to be loaded on freight cars for St. Paul.

Twenty thousand tons of steel rails had already been ordered from England. The contract for construction was given to a St. Paul firm—Langdon, Sheppard & Company, of whom Langdon was a Scot, and Sheppard was originally associated with construc-

tion work on the Chicago, Milwaukee and St. Paul. While the ground was still frozen, supplies poured into Winnipeg, and as soon as spring broke, construction trains started to run to rail-head, each as a unit with material for a mile of track.

The Union Pacific was built by an army fighting its way through hostile Indians. When General Dodge started construction west from Omaha to Fort Sanders, he wrote to Sherman:

"It will take more soldiers to enable us to get more workers. Soldiers give the men confidence. We need 5000 soldiers east of the mountains and north of the Platte."

Again when General Augur was sent to ask Dodge what he really required, he replied:

"I want strong military escorts with each party of engineers, and I want detachments strung all along the line from Alkali to the Laramie River."

Van Horne found that in Canada, all he required to deal with the Indians was a handful of mounted police and the genial influence of that great missionary priest, Father Lacombe.

In a preface to Katherine Hughes' biography of Father Lacombe, Van Horne paid a touching tribute to the work of this priest:

"Near the Lake of the Woods at sunrise one morning in 1882 I saw a priest standing on a flat rock, his crucifix in his right hand and his broad hat in the other, silhouetted against the rising sun, which made a golden halo about him, talking to a group of Indians—men, women and papooses—who were listening with reverent attention. It was a scene never to be forgotten, and the noble and saintly countenance of the priest brought it to me that this must be Father Lacombe, of whom I had heard so much.

"My acquaintance with him, begun that morning, has been full of charm to me, and my only regret is that in these later years the pleasure of meeting him has come at lengthening intervals. His life, devoted and self-sacrificing, has been like peaceful moonlight—commonplace to some, but to others full of quiet splendour, serenity, mystery and of much more for which there are no words."
—From *Father Lacombe, the Black Robe Voyageur*, Moffat-Yard, and the Ryerson Press.

Van Horne's gratitude to the red-coated Mounties was ex-

pressed in a letter to Lieutenant-Colonel A. G. Irvine, Commissioner for the Northwest Mounted Police at Regina:

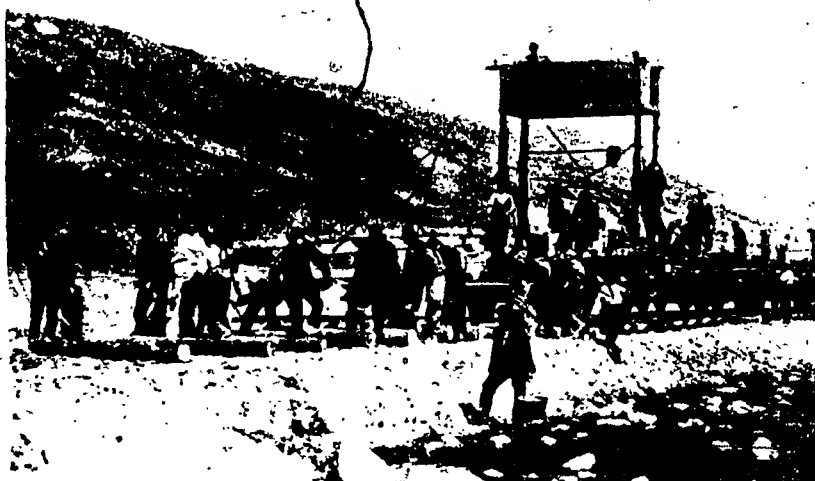
"Our work of construction for the year 1882 has just closed, and I cannot permit the occasion to pass without acknowledging the obligations of the Company to the Northwest Mounted Police, whose zeal and industry in preventing traffic in liquor and preserving order along the line of construction have contributed so much to the successful prosecution of the work. Indeed, without the assistance of the officers and men of the splendid force under your command it would have been impossible to have accomplished as much as we did. On no great work within my knowledge, where so many men have been employed, has such perfect order prevailed."

Owing to the change to a more southerly route, locating parties were only a few weeks ahead of the graders; and in this season eight hundred and forty miles were so located. The work was sublet to outfits averaging forty teams and a hundred men. Five thousand men with seventeen hundred teams worked night and day with the driving force of Van Horne behind them. Stephen Pardoe, who himself worked on construction, has given a word picture of the daily routine:

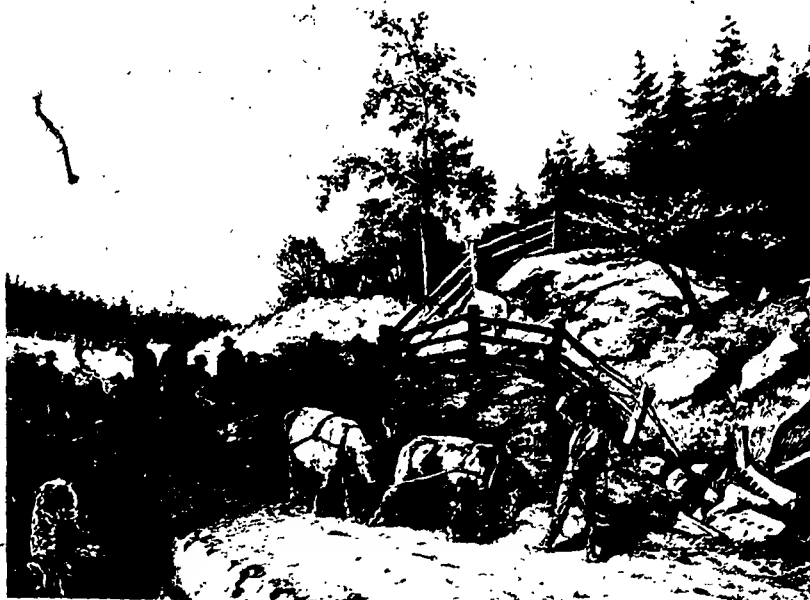
"The camp of each considerable outfit presented an almost military appearance. One or two large dining-tents, with the cooks' quarters and the office tent, where dwelt the sub-contractor, his bookkeeper—who also kept the men's time and ran the store of clothes, tobacco, etc.—and perhaps the foreman, were generally in the centre. All around stood orderly lines of small two-man tents, and at one side the big horse tents, and the rows of waggon. The food prepared by the cook and his 'cookees' was, though rough, generally good and plentiful. Beef and pork, beans and potatoes, bread and hot biscuits, syrup, tea and coffee, were the mainstays, heartily consumed three times a day. Early dawn brought the cry of 'Roll out, teamsters' from the 'corral boss,' and by the time the men had shaken themselves out of their blankets the horses—headed during the night by 'horse-wranglers'—had been driven in ready to be caught and given their feed of oats and water. Then breakfast, followed by the cry of 'Hook up' from the foreman, and the whole force would commence its first five-hour stretch of work. 'Unhook,' at noon, and dinner; another five hours' work before supper; and then—the blankets, till the



Lake Louise, Discovered by Tom Wilson, 1883.



C. P. R. Construction on the Prairies.



From a drawing in *L'Opinion Publique*.

Construction on the North Shore Railway, Quebec. Later Absorbed by the C. P. R.

morning of a new day. The horses knew as well as the foreman when 'unhook' should be called, while each mule was a foreman unto itself in that respect. A minute or two before the expiration of each five-hour period of work one wise old mule would bray, and from that time until 'unhook' the air was hideous with fearful sounds. Stolidly patient, incredibly strong, endued with infinite and devilish vice, no mule would move one second before 'hook up' sounded or one second after the correct time for 'unhook' to be called had passed. It was a pity that so many good horses succumbed. From one cause and another the mortality among them was very serious. Probably a steady diet of too many oats and too little hay to eat with them, and water often strongly impregnated with alkali to drink, was responsible for the trouble, which may have been aggravated by the bites of the myriads of mosquitoes which infested the whole country during May, June and July. The mules were tougher. What a mule can not endure has yet to be discovered. They suffered only from the soft ground or muskegs, where their small hoofs cut through the covering sod and let them in up to their bellies, sometimes indeed over their backs.

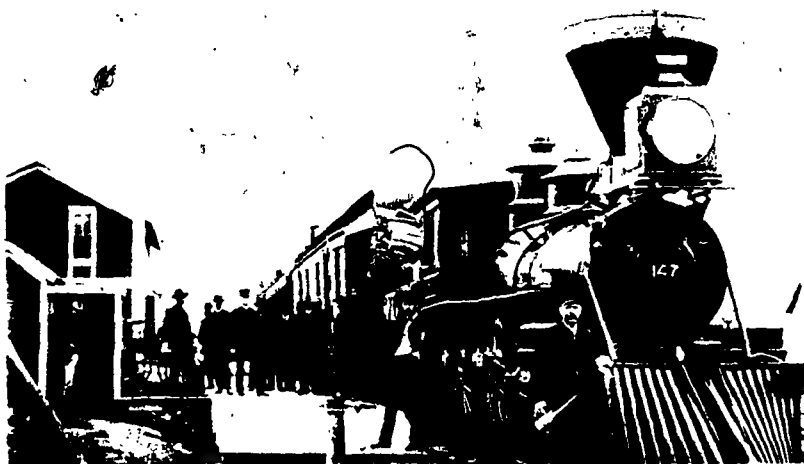
"In places the track was laid so rapidly that there was not time to set up camps. Large two-story boarding cars were built for the use of the men. In the upper story the men slept, and in the lower they had their mess. Each car held sleeping accommodation for eighty men. These cars, together with the cooking, inspector's, and workshop cars, were permanent portions of the construction train, and were always left at the front. The rest of the train consisted of twenty-one flat cars (or trucks), and was backed up by the engine, which never had to go more than eight miles for supplies. The sleepers or ties (laid 2,640 to a mile) were packed thirty-three to a car, and the rails (which were 30 feet long) were thirty pairs to a car, together with five boxes of spikes, sixty pairs of fish-plates, and one box of bolts. The sleepers were loaded on to carts and taken ahead on the dump, distributed, spaced, and lined well ahead of the track-layers. In order to unload the rails the train was backed up to the end of the track, and the rails then thrown off the cars, fifteen pairs on each side. The engine then drew off, and the fifteen pairs were loaded on to a trolley drawn by horses, together with the necessary fish-plates, bolts, and spikes. When the trolley reached the last laid rail, a pair of rails was dropped, gauged, and the trolley run forward over them. A gang followed to affix the fish-plates, and was in turn succeeded by the spikers. When the load was finished, the trolley was thrown off the rails to make place for another.

"The speed with which the work was done is illustrated in the building of the stations. The station buildings were erected by a series of gangs of workmen following each other. The first gang put up the framing, joisting, and rafters, etc.; the second put on the sheeting, flooring, and roofing; and they were followed by the plasterers, joiners, and painters. As each gang finished its particular class of work it moved westward, by which arrangement four or five stations were being built at the same time, and each gang got through its own division of labour in time to allow the next one to come on. There were no delays or hitches in the work. The station-house gangs began work 125 miles behind the track-layers, and caught them up at the end of the season."—From an article in *Engineering Wonders of the World* by J. M. Gibbon and Stephen Pardoe. Reprinted by permission of the publishers, Thomas Nelson & Sons.

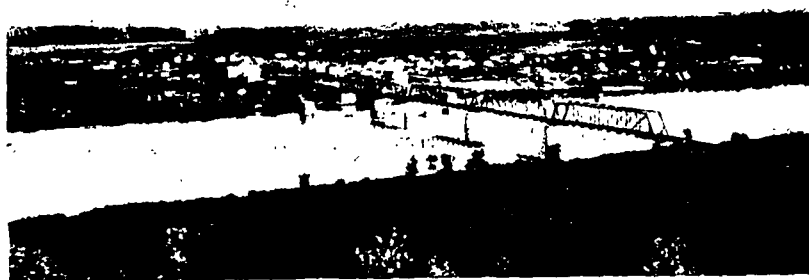
Floods on the Red River slowed up the programme, as the old government line had to be used while the newly located line was temporarily out of commission.

Although Van Horne did not quite reach his objective of five hundred miles this summer, he broke all records. Rails were laid to about twenty-five miles east of Medicine Hat. Reporting on the seven hundred and twenty-five miles of track laid by Langdon, Sheppard & Company in the seasons of 1881 and 1882, a feat which he described as "unequalled in the history of railway construction," he wrote:

"It must not be supposed that because the work was to be quickly done it must have been poorly done, or that the track was merely stretched out on the surface of the ground. On the contrary, the entire line is thoroughly well built of the best materials, and everything has been done to make it a first-class railway in every respect, and with a view to the greatest economy in working. The transportation department was charged with the delivery of all the materials and supplies at the end of the track; and when the quantity of these and the great distances they had to be transported are considered, it will be thought no small feat to have moved them to the front day after day and month after month with such regularity that the greatest delay experienced by the track-layers during two seasons' work was less than three hours."



First Train into Calgary—August, 1883.



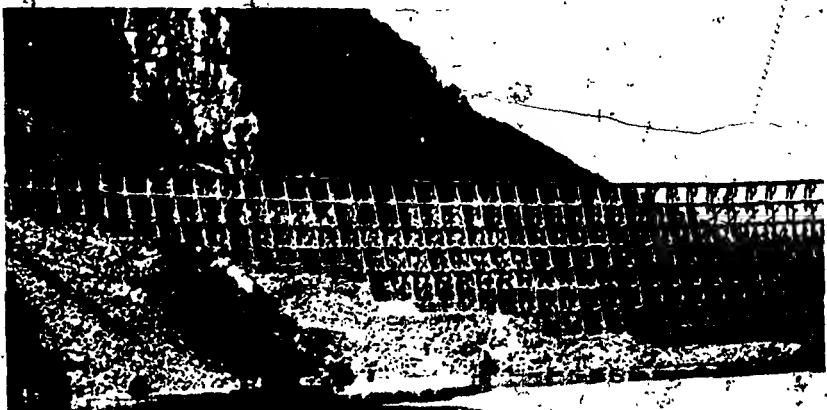
Medicine Hat—1884.



Road House on the Columbia—1884.

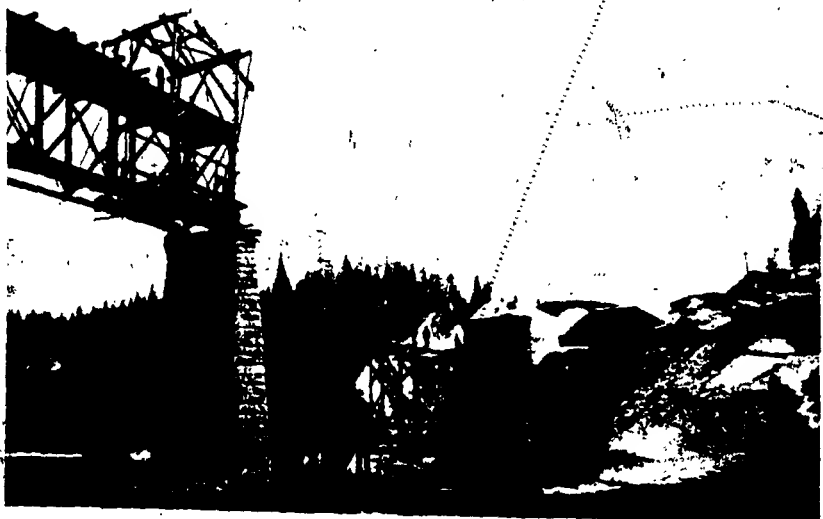


Tunnel—North of Lake Superior.



Courtesy of the Public Archives of Canada.

Red Sucker Trestle Bridge (1884) North of Lake Superior.



Courtesy of the Public Archives of Canada.

Bridge over Nipigon River under Construction.

On the construction in British Columbia, H. J. Cambie stated:

"Onderdonk found that the white labour that he had got from San Francisco—the only source of supply at the moment—consisted for the most part of clerks out of employment, broken-down bartenders and others of that ilk, men who had never handled a shovel before and who often appeared on the scene attired in fashionable garments in a rather tattered state, who might even be seen in the cuttings with patent leather shoes, much the worse for wear and trousers sprung over the foot. So he determined to import a lot of Chinamen—the first large number of Chinese coolies to be imported into this country at one time—and he got two ship loads, 1,000 men in each. They came in very bad weather and had to be kept below hatches most of the way, so as soon as they got upon the work and began to take violent exercise, they developed scurvy and were decimated, fully one-tenth of their number dying. Being fatalists, as soon as a man was stricken with scurvy the others would not wait upon him or even give him a drink, and the government agent at Yale had great difficulty in getting them buried when they died. In fact many of their bodies were so lightly covered with a few rocks and a little earth that one became unpleasantly aware of the fact while walking along the line."—*Blazing the Trail Through the Rockies*, by Noel Robinson, Vancouver.

There was an outcry in British Columbia when Onderdonk imported his first two thousand Chinese labourers. In anticipation of this introduction of Oriental labour, a resolution had been moved in the Federal House by a British Columbia delegate:

"that the Government insert a clause in each and every contract for the construction of the Canadian Pacific Railroad that no man wearing his hair more than five and one-half inches in length be deemed eligible for employment upon the said work, and that no man wearing his hair longer shall be eligible to any contract on the said railroad."

The answer was that most of the Chinese came from the British Colony of Hong Kong and that it was not seemly that Canada should legislate against them. Onderdonk himself declared, "You must have this labour or you cannot have the railway." The objection to the Chinese was that they worked for so little, a mat of rice or fifty pounds being a Chinaman's supply for a month. But they were welcome as excellent cooks and keepers of restau-

rants. Morley Roberts, the English novelist who tells the tale of how he worked in the construction camps of the C. P. R. in his autobiography *The Western Avernus*, gives this thumbnail sketch:

"Then to Harrison River, bright and clear and blue, a Fraser tributary, and dinner at a Chinaman's restaurant, where we had a plentiful and well-cooked meal served by the owner himself, who spoke good English to us, Chinese to his pig-tailed compatriots, and fluent Chinook to his Indian wife, who held in her arms a curious child with the characteristics of Indian and Chinaman stamped unmistakably upon it. The father admired it immensely, and was, it seemed, very fond of his wife, who, for her part, was stolid and undemonstrative, as most pure-bred Indians are."—Quoted by permission of the publishers, J. M. Dent & Sons.

On April 18, 1882, Sir Charles Tupper had moved the second reading of a bill authorising the Canadian Pacific Railway to change its location from the Yellowhead Pass to a pass further south. This was the Kicking Horse Pass which according to a telegram from Van Horne had been reported by Major Rogers as affording a good line with easy grades, though the work would be expensive. The eastern side of the Kicking Horse Pass was well known to hunters and prospectors. Hector had traversed the whole Pass in 1867, and in 1882 the Alberta Mining Company laid out claims for a silver mine following discovery of silver-copper ore by a Piegan Indian, and the now deserted "Silver City" was built near Castle Mountain.

The crossing of the Selkirk Range was still in doubt except by the use of long tunnels, but if necessary the line could be taken round the Big Bend of the Columbia River and still save considerable mileage on the Yellowhead Pass Route. Major Rogers used as his guide on the Kicking Horse surveys an ex-mounted policeman, Tom Wilson by name, who was the first white man to discover many of the beauty spots which justified this location of the line by bringing countless thousands of tourists in after years. Tom Wilson later handled the pack outfits for James Ross and H. S. Holt. Lake Louise, known to the Indians as the Lake of Little Fishes, was made accessible this year by a blazed trail. The Yoho Valley, with its spectacular falls and glacier, was ex-

plored in the hunt for strayed horses, and from the summit of Yoho Pass the jewel-like waters of Emerald Lake thrilled the discoverers.

Ten years before his recent death, the Trail Riders of the Canadian Rockies erected a monument to Tom Wilson. They had a campfire song about him, sung to the tune of *The Old Scottish Cavalier*, of which the following are two verses,

"And when to hunt the mountain goat or deer or sheep he went,
He hit the beasts he aimed at on the very spot he meant;
And when at night to camp he came, his ammunition spent,
He played black-jack and poker with the grizzlies in his tent,
Like a great Canadian pioneer, all of that olden time.

"And when he told a fishing tale, you saw the fishes grow
From mountain trout to giant whales, all swimming in a row;
And if at times you thought he had a tendency to blow,
He said he caught the habit from those whales of long ago,
Like a great Canadian pioneer, all of that olden time."

Sir Charles Tupper's bill was agreed to with the proviso that no pass less than one hundred miles from the United States boundary might be adopted, however feasible, and with the further undertaking by the government that no subsidies be paid on construction beyond four hundred and four miles of Winnipeg until it was definitely ascertained that the Kicking Horse Pass route provided a better route than the Yellowhead. Up to date, Sir Charles intimated, the subsidy payments had amounted to only one million six hundred and ten thousand dollars in cash and one million six hundred thousand acres, while the revenue from traffic amounted to six hundred and three thousand dollars. Canada had certainly no reason so far to complain of its bargain. It was, moreover, gratifying to the promoters of the National Policy when the company purchased two hundred acres of land in Montreal for the erection of shops, named after R. B. Angus, so that as much of the equipment as possible should be made in Canada. It was also gratifying to Sir Charles to be able to announce that a better roadbed was being built than the contract specified, and that the main line through the prairies would not be the light colonisation road originally contemplated under government con-

struction but would be qualified to compete for through traffic with the best American railroads. He also referred to the giant strides towards national life witnessed in the last twelve months due to the influence of this great undertaking, and to the increase in immigration of moneyed settlers into the Northwest. There had been heavy demand for the government's own lands, in addition to those granted to the railway.

Major Rogers made rapid progress with his surveys and reported that he had found a possible location for a railway over the Pass which now bears his name. Writing to his brother from the Columbia River on August 8, 1882, he says:



Sir Edmund Osler, who brought the Ontario and Quebec Railway into the C. P. R.

From a drawing by Henri Julien.
Courtesy of the *Montreal Star*.

"I got back Sunday night from 2nd trip to the Selkirks and have found the Pass. Am just sending Al to Portland to purchase supplies for the winter, and am going myself to the Bow River country."

In September, Parliament was asked to approve of a line continuing beyond Kicking Horse Creek and crossing the Selkirk Range by Beaver Creek.

There were political complications to worry Stephen. The battle of Provincial versus Federal Rights came to an issue over a charter given by the Provincial Government of Manitoba to the Manitoba South Eastern Railway which was the Northern Pacific under another name. The Federal Charter protected the Canadian Pacific Railway from such incursions into its territory from the United States for twenty years, so Sir John disallowed this Provincial Charter. The Northern Pacific were experts at working up public opinion, with the result that there was a fine political howdy-do.

Stephen spent six weeks of this summer in the northwest looking particularly into the land grant situation, and wrote on August twenty-seventh to Macdonald:

"The one thing I am uneasy about is our lands. We shall have earned by the end of this summer some 10 million acres of land, and the best judgment I can form goes to show that we shall not get much more than 3 million in the Railway Belt. When and how are our 25 million acres to be made up?—The policy of the Government in selling lands to so-called colonization companies is rapidly bringing about such a condition of things that it will not be possible for the Government to carry out their contract with the Company. The fact is the lands are not there to anything like the extent talked about. At any rate you will agree with me that the Government having made a contract to give the Company 25 million acres, provision ought to be made for carrying out the contract. The delay in giving us the lands we have already earned and which we were promised should be given in June last has been a great loss and embarrassment to us already, and I do hope you will take the matter into your own most serious consideration and promptly dispose of it in a way that will be fair and just to all concerned. We cannot build and equip the C. P. R. without money, and money can only come from the resources we have at command. . . . Delay will be fatal to us . . . we cannot wait. I dare say you will hardly believe it possible we should need more money to keep us going, but if you could see what we are doing, it would be no surprise to you to be told we had had to find 5 to 6 millions more."—Letter in the Public Archives of Canada.

Then again Ottawa brought pressure to bear on branch construction, although the company had enough on its hands already. Here is a letter from Sir John Macdonald to George Stephen, dated October 20, 1882:

"Regina seems growing in favour. By the way, I hope there is no mistake as to what the C. P. R. was to do there. The arrangement was that the C. P. R. should indicate some place from which a branch line would be built, not located only, the Company to contribute the branch line, and the Government the public buildings, and the division to be equal."—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

Van Horne had been impressed by Jim Hill to vote against any construction on the line north of Lake Superior. But his visit to Montreal made him realise that this, after all, was a Canadian enterprise, not merely the feeder of an American line, and that

if it was to maintain the backing of Sir John Macdonald and his Cabinet, the sooner this link in the transcontinental line was built the better. Actual work on this costly section of the line was slowed up by the delays due to survey for a new location, but Sir John insisted that progress on construction in the East must keep pace with construction in the West, otherwise he could not hold the support of his party. The cost might kill the infant enterprise, but Stephen remembered the passage from Shakespeare's *Macbeth*, which his wife could quote with such verve:

"If it were done when 'tis done, then 'twere well
It were done quickly."

Van Horne declared that the most economical method of speeding up construction was to adopt a location near to the lake shore line so that equipment and supplies could be brought by steamer and by barge up the rivers tributary to the lake.

Jim Hill had told him of Henry Beatty and his Great Lakes service of steamers, and Van Horne was favourably impressed by this Canadian. Henry Beatty had been asked to join the syndicate, but had preferred to keep out of the limelight and contented himself with taking a thousand shares. George Stephen agreed with Van Horne that pending the completion of the line north of Lake Superior, a steamship service should be operated from Algoma Mills, the present railhead, to Port Arthur's Landing, from which the railway actually ran to Winnipeg, so as to operate a through service to the West. In September, Van Horne was authorised to negotiate with Henry Beatty and appoint him Manager of Lake Transportation if terms were suitable. These terms were higher than Stephen expected, but were defended by Van Horne as necessary for one of Beatty's experience and ability. After planning the delivery of construction material, and supplies for construction of the Lake Superior section of the railway for the following year, Henry Beatty was sent to Scotland to arrange for three large Clyde built steamers, to be constructed so that they could be cut in half and brought through the canals for re-erection and service on the Great Lakes. When Hill heard of this, he was chagrined and resolved to pull out.

In the East the Canada Central was extended and equipped from Callander at the east end of Lake Nipissing to Sturgeon Bay. The acquisition of the Quebec, Montreal, Ottawa and Occidental Railway at a cost of four million dollars had provided an extension from the Canada Central to Montreal, the Laurentian and Saint Eustache Railway was acquired, providing an alternative entry into Montreal, and negotiations with the Quebec government were set on foot towards the acquisition of the North Shore Railway to Quebec.

The financing of so much construction and extension demanded more cash, and five million dollars was realised by issuing the balance of \$20,000,000 stock to existing shareholders at twenty-five cents to the dollar. Three million eight hundred and fifty thousand dollars was realised on account of lands sold, most of which went in redemption of land grant bonds. Six million four hundred and fifty-two thousand acres of land had been sold, but as this was on the installment system, there was \$13,451,000 of payment still outstanding. The exchequer was running low and the most costly construction was only commencing. By December of this year 1730 miles of the whole system had been equipped. The gross earnings of the line amounted to \$3,326,920.



George H. Ham
Winnipeg editor who afterwards
joined the Canadian Pacific on
the invitation of Van Horne.

NEW ROUTE THROUGH MOUNTAINS

THE PHENOMENAL progress made by the Canadian Pacific in the year 1882 excited the jealousy of the Grand Trunk, and at the general meeting of shareholders of the latter company, Sir Henry Tyler, the president, launched a violent attack, to which George Stephen replied by sending a three page circular of defence to the Grand Trunk shareholders on April fifth. He pointed out that this new route to Winnipeg was urgently required, owing to the congested state of the Grand Trunk's single line between Montreal and Toronto which resulted in shipments from Montreal to Winnipeg taking four to eight weeks in transit by that route, whereas the Canadian Pacific already took only ten days. The Canadian Pacific, he declared, harboured no hostile feelings towards the Grand Trunk or any other Canadian Company, but was created for the purpose of opening up the hitherto undeveloped northwestern territories of the Dominion of Canada, and for carrying the traffic between these Territories and the Atlantic Seaboard on the one hand, and the Pacific Ocean on the other, through British territory. He described it as

"a National enterprise which is regarded by the Canadian people as a means whereby they are to be rendered independent of United States railway lines, and to promote which the Imperial Government have already assisted the Dominion Government by a guarantee of some £3,000,000 sterling."

The drop in traffic from construction material over his St. Paul road, the collapse of the Winnipeg boom and the realisation that George Stephen and his associates were determined to push construction north of Lake Superior and thus keep all traffic within Canada, convinced Jim Hill that it was time for him to draw out, so on May 3, 1883, he resigned and proceeded to concentrate

on the development of a rival route to the Pacific coast, the Great Northern Railroad. This threw more work upon the executives in Montreal. Hitherto, as directors, they had served for one thousand dollars a year, but on June eighth the shareholders agreed to the following modest annual enrolments:

President	\$6,000
Vice Presidents and Members of the Executive Committee	\$5,000 each
Remaining Directors	\$1,000

On July twelfth, George Stephen and R. B. Angus resigned from the directorate of the St. Paul, Minneapolis and Manitoba Railroad, although they retained their holdings and remained on friendly terms with Hill himself.

West of Lake Nipissing, the Algoma branch from Sudbary was completed half-way to Saulte Ste. Marie, and substantial progress was made on the line north of Lake Superior, which had to be built piecemeal, as construction material had to be brought in by the various bays and rivers, and the work of blasting rocks, bridging rivers and filling muskegs was costly and slow. Cattle for the construction camps were shipped from Port Arthur in two tugs suitably named the *Butcher's Boy* and the *Butcher's Maid* and dropped off at strategic points along the lake shore, from which they were driven along the right of way. As soon as they reached a camp short of fresh meat, the butcher set to work, stringing the carcass on a tree while the herd went on to the next camp. The line was located this season sixty-eight miles east of Port Arthur and one hundred and fifty miles west of Callander, the terminal point on Lake Nipissing. The three steel ships *Algoma*, *Alberta* and *Athabasca*, built on the Clyde for the Great Lakes, came under their own steam to the St. Lawrence, were cut in half so that they could pass through the Welland Canal, and were reconstructed at Buffalo, where upper decks were added, so that they could be put into service the following spring.

Still farther east, extensive additions to the system were made by lease or purchase, in accordance with George Stephen's determination to create traffic by gaining access to at least one ocean port and to bring the well-settled areas of southern Ontario within



H. S. Holt, afterwards Sir Herbert Holt, Chief Engineer for James Ross on Construction in the Canadian Rockies

the sphere of operations. On May ninth the shareholders gave authority to acquire the South Eastern Railway, to secure which advances had already been made by Duncan McIntyre. The intermediary who made the necessary negotiations to secure control was A. B. Chaffee, whose son Buck Chaffee became the first city ticket agent of the Canadian Pacific Railway at Montreal. A month later authority was granted to lease at a rental of slightly over a million dollars, a consolidation of three railways, the Ontario and Quebec, the Credit Valley (which included the

Toronto, Grey and Bruce and the London Junction Railways) and a portion of the Atlantic and North Western, including the bridge across the St. Lawrence. This gave the Canadian Pacific a line from Montreal to London, Ontario, which provided connection with Chicago through the Canada Southern and Michigan Central, authority to build a bridge, making possible connections with American railroads to Boston and New York, and a charter enabling it to build a short line to the winter port of Saint John, New Brunswick.

This aroused the Grand Trunk, which countered by an amalgamation with its hitherto deadly rival, the Great Western. President Tyler, in London, openly threatened retaliation, and made vicious attacks on the financial credit of the upstart competitor. While the Grand Trunk had proved itself a poor investment, its shares were a favourite speculative counter on the London Stock Exchange, providing a convenient source of income to those who sold when the shares were periodically rigged in preparation for a new issue. This invasion of Ontario by the Canadian Pacific was a handy excuse for the continued deficiency of Grand Trunk dividends on its ordinary stock.

In the course of clearing the right of way near Sudbury, Tom Flanagan, a blacksmith on a construction gang, observed an out-

crop stained with oxide of iron and on digging some holes in it found copper sulphide. A cutting in the rock was necessary for the grade, and this exposed a deposit which led eventually to the immense plant of the International Nickel Company, the source of enormous traffic to the Canadian Pacific in after years and the initial stage in the great mining development of northern Ontario. So little, however, was its value realised at the time, that a patent was granted for the lot by the Department of Crown Lands in the following year to Thomas Murray at a dollar an acre.

On the prairies construction proceeded at breakneck speed, Calgary being reached on August tenth. Previous to the arrival of the railway, according to John F. Stevens, an engineer engaged by Major Rogers to assist in locating the line through Rogers Pass—

"Calgary consisted of possibly a dozen log houses, the principal one being a trading post which supplied the trappers and the few wandering nomads and stock-raisers of that vast land. The only connection that it had with the outside world was by means of 'bull teams,' which hauled its supplies from Fort Benton, the head of navigation on the Missouri River in Montana. I remember that the evening of our arrival at Calgary (in spring) some teams came in from Fort Benton, and among other supplies they brought half a dozen boxes of apples, the first ones that ever were seen in that part of the North West. It marked an epoch, and as a token of extreme hospitality I was presented with two of them, which I appreciated, as they were quickly disposed of at fifty cents each."—*The Engineering News Record*, March 28, 1935.

Father Lacombe, the Black-Robe Voyageur, was now in charge of the parish of St. Mary's at Calgary and had smoothed the way for the surveyors and construction gangs through the



James Ross, in charge of construction, Canadian Rockies

Blackfoot Indian reserves. The old adage that a corporation has no soul found at least one exception in the Canadian Pacific, as this great Oblate missionary of the West was always glad to testify. Soon after the arrival of the first train, George Stephen, Donald Smith, R. B. Angus, Van Horne and Count Hermann von Hohenlohe arrived on a tour of inspection, and Father Lacombe was invited to lunch on their private car. On the motion of R. B. Angus, the president of the Canadian Pacific resigned for one hour and the good Father was elected in his place. Whereupon the new incumbent of the chair nominated George Stephen as rector of St. Mary's.

"Poor souls of Calgary," said Stephen, looking out of the window, "I pity you."

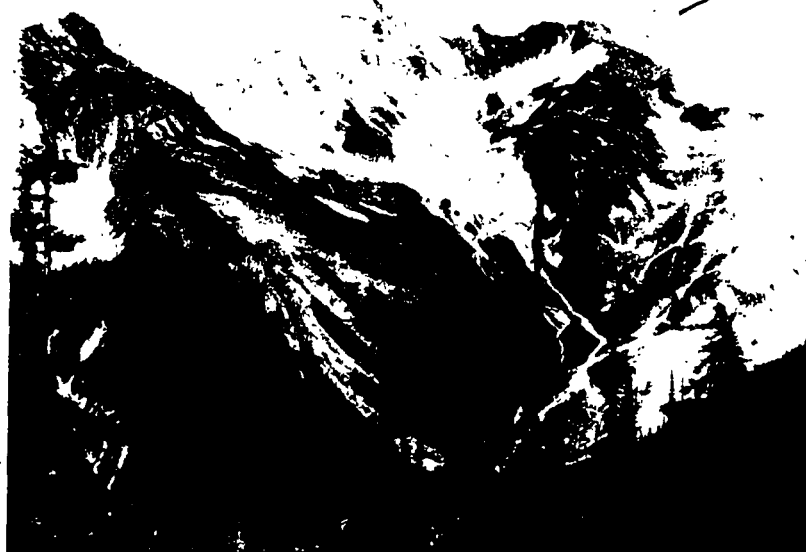
A contract had been made with the North American Railway Contracting Company to complete the unfinished sections of the main line to be paid for partly in cash and partly in common stock, but in November this agreement was dissolved by mutual consent, and the company appointed three managers of construction: James Worthington, westward from Callander; John Ross, for the Lake Superior section, and James Ross on the mountain division, the purchase of construction material being concentrated in the hands of T. G. Shaughnessy. Of these managers of construction James Ross was a Scot from Cromarty, who had come to Canada by way of the United States. He had built the Credit Valley Railway running from Toronto to St. Thomas in 1878-79, an Ontario road which came under the control of the Canadian Pacific this year. In later years he became the "Coal King" of Canada.

Before the end of the year railhead was at Laggan, on the summit of the Kicking Horse Pass, temporarily called Holt City, and now named Lake Louise Station. Holt City got its name from Herbert S. Holt, now Sir Herbert Holt, a young Irishman of twenty-six who had arrived penniless in Canada seven years before and who less than fifty years later was described as the

"most towering of all the captains on the field of Canadian finance
—Canada's most powerful and richest citizen—either in complete



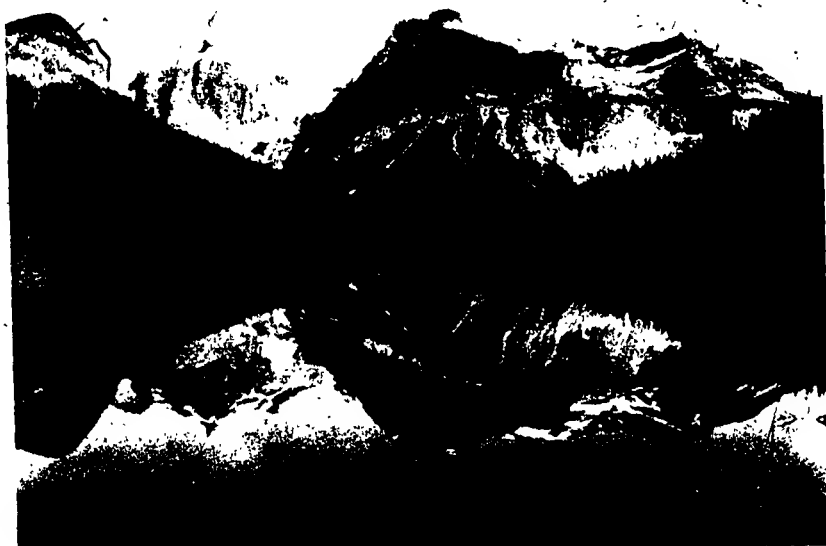
Surveyors' Camp on Rogers Pass.



Mount Sir Donald, Originally Named Syndicate Peak.



Buffalo Bones Being Shipped from Prairies at Regina.



Emerald Lake.

control or a powerful factor in 145 companies—believed to command at least two dollars for every dollar of Canadian currency.”

Holt was chief engineer for half a dozen railways in Ontario, including the Ontario and Quebec and the Credit Valley Railway, for which James Ross was contractor, and Ross took him out west with him as his chief engineer on C. P. R. construction.

Holt was, as he still is, the kind of man who gets things done. At the time when the C. P. R. reached the Bow River, the hamlet of Calgary was not so near the tracks as it wished to be, and wanted to move the post-office near the station. The government, however, was slow to action, even though the post-office building was a mere shack. Holt solved the problem by taking a bull team to the building and moving it to where the citizens of Calgary thought it ought to be. Since there was no one with authority or bulls to move it back again, there it stayed, and the rest of the inhabitants followed suit, so as to have less far to walk when the mail came in.

Holt reached the more or less level flats where he set up his camp or “City” near the Great Divide in December, 1883, before the rails had been laid up the pass, when the ground was deep in snow. His men were mostly Scandinavians or Finns, “the best men I ever saw in my life” according to his own description. During the winter there was lumbering to be done for ties or sleepers, the rock drilling starting in spring. This rock work had to be done by hand as the rails were not laid to bring up machinery. Three men had to drill eighteen feet in a day, and the Finns, though they were smaller men than the Swedes or Norwegians, could usually make the faster time. T. G. Holt was in charge of the commissariat, which was so good that the men held to their work even though pay was slow in coming. The only strikes on this division occurred at Beavermouth, once when the pay was thirteen months in arrears. Holt and Ross sympathised with the men, but Montreal was in desperate straits for cash. All they could do was to provide the married men with money to remit to their families. Beavermouth was the nearest approach to a tough town on this division, as the Mounted Police were here to maintain order, and the strike was organised by the gambling house bosses who were

out of luck when the men had no spare cash. Holt got word that there was to be a raid on his camp, and rounded up the available ammunition—nine Winchesters and six revolvers. Posting his men at strategic points, he threw a log across the trail and awaited the strikers with his gun. The leader of the attacking army came riding on a mule with a red flag sticking over each ear. When they reached the log, Holt said:

"Now, hold on a minute. The first man that crosses that log, I shoot. We have guns enough to take care of 150 of you. Now you know."

No one crossed the log.

Major Rogers located a possible pass over the Selkirks by way of Beaver Creek and the Illecillewaet River, but as the government required more definite assurance as to the advantage of this route as compared to the Yellowhead Pass route, a cable was sent to Sandford Fleming in England to go over the Rogers Pass route and make an independent report. This Fleming did, travelling over the newly opened line from Port Arthur to Winnipeg in twenty-four hours and finding the roadbed better than the meal secured at a chance restaurant at Rat Portage. As to gradients favourable to transportation he says:

"I know of no other four hundred miles of railway in the Dominion or the United States that can be compared with the section west of Port Arthur."

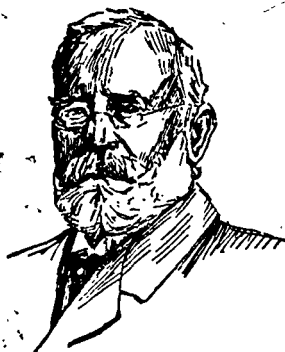


G. H. Duggan, Topographer for James Ross

Reaching Calgary by work train on August twenty-fourth, he was staggered to find how little the engineers knew about the survey beyond their own section. Not realising how much still had to be done on location, he found that he had an arduous trip ahead of him, mostly on horseback or on foot. Principal Grant, with whom he had crossed the Yellowhead Pass eleven years be-

fore, was one of his companions, the other being his own son. Six days' ride from Castle Mountain to the outlet of the Kicking Horse on the Columbia brought him in touch with Major Rogers, who relieved his anxiety by assuring him that there really was a pass over the Selkirks and accompanied him to the summit. There for lack of wine they celebrated the discovery by smoking cigars, and organised a Canadian Alpine Club, varying the usual camp food with a feast of raspberries, blackberries, blueberries, pigeonberries and gooseberries which grew luxuriantly on the meadow at the summit; then ended up with a game of leap-frog. Next day they admired the conical peak originally named "Syndicate Peak" but now known as "Sir Donald" to the transcontinental traveller.

"Major Rogers declared it would be the summit of his ambition to plant on its highest point the Union Jack on the day that the first through train passed along the gorge we are now travelling."



C. C. Schneider, Consulting Engineer on Bridges

The spectacular box canyon now known as Albert Canyon was reached on the seventh day after leaving the Kicking Horse, and when that evening they struck the western flood of the Columbia, they found that the supplies ordered were cached on Eagle Pass, five days distant. Kamloops was reached on the twenty-third day from Calgary, and a telegram was sent reassuring the directors who had staked their fortunes on Rogers Pass that they had won their gamble.

The line under construction by Andrew Onderdonk, the government contractor through the Fraser Canyon, was well in hand, and Fleming was gratified to find that many of the engineers were men who had worked for him on the Intercolonial. Stephen, however, had private information that the government had lowered the specifications and that the British Columbia section was not being built up to the standard provided by the contract. This eventually had to be straightened out by arbitration.

Between Selkirk and Port Arthur the government had undertaken to construct the line by July 1, 1883, but as the contractors were behind time, it had been agreed in May to transfer the completion of this section to the company, otherwise Fleming might not have been able to make so quick a trip. The story of his journey is told in an entertaining volume *England and Canada, a Summer Tour between Old and New Westminster* published the following year.

The revenues had increased from \$3,326,920 in 1882 to \$5,473,897 in 1883, but financial clouds were gathering on the horizon. The prairie harvest was poor and, as settlement was slower than had been anticipated, the Land Grant Mortgage Bonds were not easily marketed. Hostile interests in London drove down the quotations for stock so low as to disturb shareholders, and the defection of Jim Hill meant also the withdrawal of support from the banking house of J. S. Kennedy, in New York. The \$31,000,000 so far realised from the sale of \$65,000,000 in shares issued was not sufficient to finance further construction on the scale that Van Horne planned, as well as the acquisition of Eastern lines. Under pressure from English and European interests, a plan was adopted to secure a guarantee from the Canadian Government of three per cent on the ordinary shares for ten years, the idea being that this would restore normal price levels and would justify the sale of the unissued balance of \$35,000,000. This, however, could only be accomplished by depositing a large sum and substantial securities with the government, as it was virtually buying an annuity. This heroic measure did not in fact improve the market, but it tied up cash, which was urgently required.

A letter received by Macdonald from the Marquis of Lorne indicates the feeling in England on this guarantee:

"October 27, 1883:

"G. Stephen tells me privately of the guarantee. I am heartily glad to hear of it. That railway must be backed. Any failure would be disastrous to all Canada and be far worse than the failure of the G. T. R. in old days to pay. All Canadian projects would smell of railway failures, and a serious setback be experienced."

--Letter in the Public Archives of Canada.

While willing to help the railway in its financing, Macdonald was too good a politician not to ask for a *quid pro quo*. This he did in a letter suggesting that it would help the Conservative cause if railway shops were established at Peterborough by the Canadian Pacific's subsidiary, the Ontario and Quebec. All the same he was sincere in his support and when Stephen declined to make the C. P. R. a political machine, wrote a fortnight later:

"I need not say that you will get sure backing from the Government so long as I hold my present position. That has *entre nous* long been irksome to me, and it is only because I want to be in at the completion of the C. P. R. that I remain where I am."

—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.



Colonist Car in the Early Days of the C. P. R.

FINANCE AND MOUNTAIN CAMPS

THE FAILURE of the guaranteed dividend to make the stock more marketable forced Stephen to apply to the government for a loan of twenty-two million five hundred thousand dollars secured on the line and the anticipated revenues from carrying mails and transport service. It was pointed out that while the company had already spent over \$58,000,000, the subsidies received from cash and land grants to date totalled only \$21,318,222. The cost of completing the main line was estimated at an additional \$27,000,000. Delay in construction would retard the settlement of the Northwest, would lock up capital expended and would be disadvantageous to the country as well as to the company. If this temporary loan were granted, the company could undertake to inaugurate a transcontinental service by 1886, five years ahead of the time specified in the contract. The loan was to be repaid not later than May 1, 1891.

Sir John Macdonald now experienced the feelings of a proud father who has received his first "touch" from the young hopeful whom he has sent to an expensive school. He cabled to Sir Charles Tupper, who was in England serving as high commissioner for Canada, while retaining his post in the Cabinet as minister of railways. The message read "Pacific in trouble—you should be here." Tupper received the cable while he was rising to move a vote of thanks to the Marquis of Lorne, who had just given an address on Canada to a Birmingham audience. His cable in answer was "Sailing on Thursday." Taking the first steamer back to Canada, he rounded up the Conservative Party. There was an outcry from the Liberal Opposition, the leader, Edward Blake, shouting "Don't call it a loan. You know we will never see a penny of the money again," but the loan was granted.

Donald Smith paid a visit to Sir John and confirmed Stephen's

Ottawa Nov 12/83

Private

My dear Stephen

In the War that is looming
in the future between C.P.R.
and G.T.R. would it not
be well for you to strengthen
your hands in different
sections of the Country?

With that view of it, can
be done without loss to
the Railway. The North
ships of the Pacific & Indian
R. might be situated
at Peterborough. It is true
that the Government is trying
to control both and their
policy.

Yours also
A. Macdonald

*Letter from Sir John A. Macdonald

Courtesy of the Public Archives of Canada.

story of the seriousness of the situation. Macdonald had by this time forgiven Smith's defection of ten years ago as Stephen indicates in his letter of February tenth:

"I must send you a line to say how grateful I am for your kind and cordial reception of Smith yesterday. He said nothing, but I know he *felt* a good deal and I know without saying it that he is to-day a much happier man. The pluck with which he has stood by me in my efforts to sustain the credit of the C. P. R. made it almost duty on my part to try and restore friendly relations between one who has stood so courageously by the Company in its time of trouble and you to whom alone the C. P. R. owes its existence as a *real Canadian* Railway. I hope some day this fact will become more generally known than it is now. But for you the C. P. R. would undoubtedly have terminated at Port Arthur, in summer, and the line for six months of the year would have been simply an extension of the American lines running up from St. Paul to the international boundary line; in short, not a *Canadian* Pacific railway at all—and the destiny of Canada politically and commercially something very different to that which is now a matter of certainty unless our people from sheer want of faith throw away their grand inheritance. Apart from the people of the Nor'West and taking the Members of Parliament on either side of the House as a fair evidence of the feelings of the people generally, it is impossible not to see that the *belief* in the future of the Nor'West is something of the nature of the general belief in Heaven. . . . If the C. P. R. is, as our friend Goldwin (Smith) insists week after week, a mere political and military necessity, an 'Imperial fancy,' having no sound commercial basis to rest upon, it must collapse."—Letter in the Public Archives of Canada.

The tribute to Donald Smith from George Stephen is all the more interesting, as there are many indications that the two cousins were by temperament not entirely sympathetic to one another. Stephen was always direct and to the point, whereas Smith had a diplomatic mind which worked to its end by circumlocutions. At this period it seems clear that Stephen was the driving force, and it was only later when Smith blossomed out as high commissioner and Lord Strathcona that he threw off the inferiority complex acquired, no doubt, during his years of repression as a rather insignificant factor in an out-of-the-way post of the Hudson's Bay Company at Labrador.

Macdonald was the more willing to support the loan, as he hoped in this way to bring the Canadian Pacific into his voting machine. Writing on February eighteenth he said:

"We are going to have a regular quarrel and fight with the G. T. R. and they will oppose us politically all along the line. To meet this the C. P. R. *must* become political and secure as much Parliamentary support as possible. The appointments to the Ontario and Quebec should all be made political. There are plenty of good men to be found in the ranks."—Letter quoted by courtesy of Colonel G. S. Cantlie.

Stephen, however, was obstinate. He did not wish to make his railway another Intercolonial. It was all the harder for him, as



SUPPOSE WE GIVE THE LAD A LIFT OVER THE HILL?

Tupper and Macdonald decide to help the C. P. R. with a loan for \$22,500,000

From a cartoon in *Grip* by J. W. Bengough.

Courtesy of T. Bengough.

funds had run so short. On February twenty-seventh he wrote to Macdonald:

"McIntyre goes down to New York tonight to raise by way of loan for a few days \$300,000 which we think will keep us out of the sheriff's hands till Tuesday or Wednesday. I hope he will manage this, though he may not be able. In that case I do not know what we should do."—Letter in the Public Archives of Canada.

Stephen's situation was happily hit off by Sir John during a debate in the House of Commons when the promoters of the Canadian Pacific were being deluged with the usual abuse from the Grits. "If ever there was a head of a Corporation who had a right to be dubbed with a Royal title," said one of these, "it is King Stephen I." To which the Premier retorted, "You ought to make it Stephen the Martyr."

McIntyre now came to the conclusion that the company would soon "burst," and that Stephen and Smith would soon lose every dollar they had in the collapse. He resented the authority given to Shaughnessy to centralise the purchasing of supplies in one department, and resigned early in the spring. Shortly afterwards he made a trip to England in the hope of making an arrangement with the Grand Trunk, his idea being that if the Grand Trunk were to transfer its headquarters to Montreal it would strengthen its position in Canada. The handicap under which that railway suffered was undoubtedly due largely to the distance between the directing board and the executive force, and if McIntyre's proposals had been accepted by Sir Henry Tyler and the London Board, the later career of the Grand Trunk might have been very different, and the eventual collapse avoided. But the English directors declined the suggestion and McIntyre had to find other outlets for his activity. In the Canadian Pacific he was succeeded as vice-president by Van Horne, who still held his position as general manager with Shaughnessy as his assistant. Others in the list of higher officers appearing in the annual report dated May fourteenth of this year are: William Whyte, general superintendent of the Ontario Division, soon to be a power in the west; Archer Baker, general superintendent of the eastern division, Montreal, who was later to

organise the European traffic, and Henry Beatty, manager of lake transportation.

A reconciliation had been effected with Sir John Macdonald, and the name of Donald A. Smith appears on the executive committee. While Smith had been a director since 1882, it was only right that one who had been so closely identified with the inception of the company and had such wide experience of colonisation and land development should take more active part in the management. The board of directors at this time reflected the international character of the shareholders and investors, consisting of four Canadians, namely, George Stephen, R. B. Angus, Donald A. Smith and John Turnbull, all of Montreal; three Englishmen, namely, Pascoe du P. Grenfell, Henry Stafford Northcote and C. D. Rose, of Morton, Rose & Company; one Frenchman, Baron J. de Reinach; R. V. Martineau, of Amsterdam and New York, and W. L. Scott, of Erie, Pennsylvania. Stephen was anxious to increase the Canadian representation and suggested to Sir John Macdonald that the disability to appoint members of Parliament and senators on the board should be removed.

In the east access to Quebec was sought by an agreement to take over the ~~North~~ Shore Railway from the Quebec Government, but the Grand Trunk was able by obstructive tactics to prevent any practical use of this till the following year.

Writing on March twenty-first to Harry Moody, Deputy Secretary in London, who was disturbed by the campaign carried on by the Grand Trunk against the Canadian Pacific in England, Stephen told him to pay no attention:

"My policy is now as it always has been, to try and live at peace with the G. T. R. acting towards them as fair opponents. Of course this cannot be done unless they should be similarly inclined. They have got their Bill and we did our best to make it more to their liking, but Hickson had so exasperated public feeling generally, and Peter Mitchell in particular, that the Government were forced to amend the Bill. I did what I could quietly to induce the Government to forgive and forget Hickson's attempt to bulldoze, and the Government would gladly have given them the Bill as was asked had the matter rested with it."

The three new steamers built under Henry Beatty's direction for the Great Lakes were put into service in the spring, and a concentrated drive was directed on the construction of the line north of Lake Superior. Twelve steamers in all were used to bring up construction material and supplies for the ten thousand men who were digging, bridging and blasting their way through what Van Horne called "two hundred miles of engineering impossibilities." One difficult mile cost no less than seven hundred thousand dollars and two million dollars' worth of dynamite was used. Worst of all were the muskegs covering hidden lakes, one of which swallowed up the track seven times and three successive locomotives. The "sinkhole" on the Ontario and Quebec line at Calladar was nothing to the sinkhole down which the money poured on this Lake Superior section. One visible lake had to be lowered ten feet to avoid a wide diversion, but there was no bridge or drainage possible for some of the coves. At Jackfish Bay, for instance, the train travels three miles to reach a point just half a mile away in a direct line.

There were other difficulties also involved in the opening up of this wilderness. The *Toronto Globe* of October seventeenth reported riots at the C.P.R. depot at the mouth of the Michipicoten River. Agent Alexander Macdonald was threatened with death by whisky peddlers from Peninsula Harbour for interfering with their illicit traffic. An attack was made on the C. P. R. depot by thirty to thirty-five "Molly Maguires" with revolvers and Winchesters.

On the Kicking Horse Pass it was found advisable to postpone some costly engineering by substituting a temporary line, for which permission was obtained from the minister of railways.

James Ross' camps were full of bright young Canadian engineers and draughtsmen, some of whom afterwards became outstanding figures in Canadian life. Such were J. E. Griffith, afterwards chief engineer and deputy minister of railways in the British Columbia Government, and G. H. Duggan, then newly graduated from Toronto University, who eventually rose to be president of the Dominion Bridge Company. Duggan joined H. S. Holt's staff as topographer, working on the location of the line as far as Blacberry River. Work went on in winter as well as summer, as

local lumber was used for ties, stations and bridges, and this could best be cut in the winter months. The labour was all white in James Ross' camps. A number of Italians were used on the work west of the Columbia. There was plenty of work for the engineers to do, as Major Rogers' idea of a location did not altogether appeal to these practical Canadians, who understood that they were building a transcontinental main line and not a scenic railway with switch-backs and the like.

Pat Burns, the Canadian cattle king, supplied the beef for those camps that had beef. Surveyors working for Major Rogers looked with envious eyes on those working for James Ross, and would find excuses to pay them a visit, as John F. Stevens, a fellow American, mournfully records of Major Rogers:

"He was a monomaniac on the subject of food, and had a strong liking for that which cheers and also inebriates. We usually had plenty of bacon and beans, and they were our *pièce de résistance* three times a day, as he believed that a variety of food, and much of it, did not conduce to physical or brain activity."—*The Engineering News Record*, March 28, 1935.

In order to preserve order in these mountain construction camps operated under the company's own jurisdiction, the services of the Northwest Mounted Police were enlisted, and Superintendent Samuel Steele arrived at Laggan, in the spring of 1884, with a strong party selected from the best shots in the Calgary division. Liquor was forbidden within twenty miles on each side of the railway, and toughs received short shrift. Samuel Steele had a brilliant career afterwards as commander of Strathcona's Horse, in the South African War, and was knighted for his services in the Great War, where he commanded the Canadian troops at Shorncliffe.

Steele tells in his *Forty Years in Canada* the story of an exciting incident that occurred when H. S. Holt was riding on the trail from the head of the Kicking Horse to the Columbia River and his horse shied:

"He was riding a spirited bronco which he had used on the plains and which had no experience of mountain trails. Instead

of backing up she started forward and hit Mr. Holt in the chest, knocking him over the side of the canyon, which at that point was perpendicular and about 75 feet from the trail to the river below. In falling he turned a complete somersault, landing on his stomach on the trunk of a dead tree which had been caught in the rocks on the side of the canyon. The distance was afterwards measured, and the tree was found to be $27\frac{1}{2}$ feet below the trail. The horse and the stone on which she slipped, which must have weighed at least 800 pounds, also fell over the cliff, but fortunately fell clear of the tree in which Mr. Holt had lodged, and both fell to the bottom of the canyon.

"When the rest of the party came up they lowered to Mr. Holt a lariat, which he tied under his arms, and they pulled him up to the trail. Looking down he saw the horse lying on the rocks below, thinking her leg was broken and being unable to get down the perpendicular wall of the canyon, he concluded that it was best to shoot her and proceeded to carry his idea into execution. He succeeded in putting five bullets of his revolver into the horse's head without touching a vital spot. The animal then struggled to her feet and fell into the river, which was at that season and all summer a raging torrent, and was carried down about half a mile to the opposite shore.

"The next day Mr. Holt sent his packers back to try to recover the saddle and bridle and some papers which were in the saddle bags. They found the horse lying on the rocks with one eye shot out, three ribs broken and one leg almost cut off. As they knew that the animal was a favourite with its owner, they built a shelter of brush over the poor beast and made her as comfortable as possible. When it was reported to Mr. Holt, he sent them back with some oats and gave instructions to them to feed the poor animal and give her a chance to recover, which, wonderful to relate, she did. She was sent to Mr. Holt's ranch for a year, and when the Alberta Field Force was raised for the suppression of the rebellion I saw a man, who had been employed as a mail carrier in the Rockies, in the ranks of the Alberta Mounted Rifles, riding a one-eyed horse, which he informed me, and so did others, was the animal which went over the canyon with Mr. Holt."—*Forty Years in Canada*, McClelland and Stewart.

The government contract with Onderdonk on the British Columbia Section covered only the mileage from Port Moody, at the mouth of the Fraser, to Savona's Ferry. From that point east-

ward the company gave Onderdonk the contract to Eagle Pass. The labour used, according to Dr. George W. Campbell, who was chief timekeeper, consisted of



Morley Roberts, Author of *The Western Avernus*

"any kind of a human being who could handle a pick and shovel; and as the best of wages were paid, the line was flooded with some of the toughest characters on the coast, not a few of them being men who had done time at St. Quentin. Police protection was an unknown quantity, Jack Kirkup being the one man who was to be depended upon to hold the lawless element in check. Of course there were gamblers and other loose characters hanging on the tail of the work, and as everything ran 'wide open' at Yale, the town was the scene of many a riotous night, and not a few men found death or injury as a consequence. The hospital for the whole grade was at Yale, and the transportation to that point of wounded men, especially from the upper divisions, was often attended with harrowing incidents."

With all the grief accumulating in the financing and construction of this transcontinental railway, one can imagine the ironic smile with which Stephen read a letter from Macdonald commencing:

"I am quite confident of your desire to strengthen the hands of the Government of which you are a sleeping partner (with limited liability)."—Quoted by courtesy of Colonel G. S. Cantlie.

Onderdonk, on the British Columbia section, was faced with growing opposition to the Chinese labour which he found it necessary to import if construction was to be completed on time. The *Port Moody Gazette* of April 12, 1884, has this editorial:

"Five hundred Chinamen are expected at Victoria next week. Premier Smythe telegraphed to the Provincial Secretary, and commanded him to prevent their landing. The home-made law is law until the Dominion Government say it's nonsense. The local Solons will make a great fuss, and then permit the Chinese to land."

Tom MacInnes, in his *Chinook Days*, gives a thumbnail sketch of New Westminster when,

"Onderdonk's Railway, as we called the Pacific section of the Canadian Pacific, was being rushed to completion. The Chinese built a bit of old China along our waterfront, bizarre and necromantic; and I recall how, with dried lichee and Pekin dates and kumquats and preserved ginger and firecrackers, they made glad the hearts of small boys who went to visit them during the nine-day festival of the Chinese New Year. . . . New Westminster was unique in having then the authentic atmosphere of the early American West, mingled with the atmosphere of the early Victorian England. The first settlers coming around the Horn brought with them seeds and cuttings of English roses and Scotch broom and foxgloves and useful fruits; and in a few years they had strawberry patches and cherry orchards unequalled outside of Kent in the Old Country."

Among the personal records of the railway construction camps in the mountains this year, one of the most vivid is that of the English novelist, Morley Roberts, who tells the tale in that classic of autobiography, *The Western Avernus*. Landing at St. Paul in early August after a summer of roughing it in Texas and the middle western states, Morley Roberts saw a notice on an employment office:

CANADIAN PACIFIC RAILROAD

In British Columbia and the Rocky Mountains

1000 Labourers wanted at good wages

100 Tie makers wanted by the day, or by the piece

Steady work guaranteed for two years.

With a friend whom he picked up, he decided to try his luck. By this time trains ran to the summit of Kicking Horse Pass, after which they had to tramp forty miles to the nearest camp, about a hundred men hungry for work that meant food. It was hard work and dangerous, yet there was romance in the life. Here is Morley Roberts' description of the men he met at Robinson and Early's camp:

"There were some six or seven of us, English or American, who came together in one of the little log-huts, and we sang our songs

and chatted and joked round the pinewood fire that roared up the rude chimney, as if labour were but a dream, or, if real, a delight. There was Scott, little, with keen grey eyes, a reddish beard and moustache, light brown hair over a broad forehead that betokened untrained intellect, and a mouth which showed much possibility of emotion. He was not, in the ordinary sense of the term, educated, and was indeed ignorant in many ways, but he had that desire for knowledge which in so many goes further than compulsory culture towards the attainment of mental height. After him in my mind comes Davidson, a Canadian also, a bricklayer by trade, but by no means to be judged by the standard of an English artisan of that grade. He had read a great deal, in a desultory way, and was a man of kindliness and keenness of thought, though without possibility of culture such as Scott possessed. Then comes Hank, a rude, rough block of a man, uneducated, powerful, with sensual lips and mouth and rough shock of hair. He played an execrable fiddle most execrably, but his love for it and tolerance and gentleness forced forgiveness from me, even when the tortured strings drove me outside.

"Another of our evening company was a pleasant Canadian, who also played on the violin, not so badly as Hank. He was somewhat melancholy, and I thought at times that some woman was at the bottom of his troubles.

"We were a strange gathering at night-time, and not without elements of the picturesque, I fancy, in our strange interior of log-hut and its confused forms on blocks of wood before the fire, which burnt brightly and threw a glare on the darkness through the entrance, that did not boast a door, but only a rude portiere of sewed sacks. We sang at times strange melancholy unknown ditties of love in the forests, songs of Michigan or Wisconsin, redolent of pine odour and sassafras, or German *Lieder*, for we were more cosmopolitan than a crowd of Englishmen would be at home, and did not insist only on what we could understand. I myself often sang to them both English and German and Italian songs, and it seems strange to me now to think that those forests heard from me the strains of Mozart's *L'Addio*, sung doubtless out of time, as it was also out of place perhaps, and the vigorous tune of *La Donna è Mobile*. But even songs like these were appreciated, and often called for, with *Tom Bowling* or some other English sea-songs. Then we would tell each other stories or yarns, and I would repeat some of my travels in Australia for them, or explain how large London was, or tell those who had never seen the ocean stories of my own and my brother's voyages,

or those of the great English sea-captains. I wrote for them a song which was very much admired as the culmination of genius. It was a song of the C. P. R., or Canadian Pacific Railroad, and all I remember is the chorus, which was (to the tune of *The Wild Colonial Boy*):

'For some of us are bums, for whom work has no charms,
And some of us are farmers, a-working for our farms,
But all are jolly fellows, who come from near and far,
To work up in the Rockies on the C. P. R.'

From which specimen the reader will not estimate my poetical powers so highly as the 'simple railroad men!'—Quotations from *The Western Avernus* by permission of J. R. Dent and Sons.

Tramping west from this camp, Morley Roberts reached the Columbia and saw before him the great barrier of the Selkirks:

"In the advancing shadow of the evening the lower hills were dark, for the sun was setting behind them. In this darkness the black solidity seemed perpendicular, but above, the indentations of the valleys could be seen, and over these were the snowcapped summits piled one on another. As far as one could see on either hand this wall extended, and just half-way from sun-white cloud-wreaths, motionless and sullen, just catching on their upper sides a faint glow from the sunlight that yet remained on the peaks. And as I lay the light faded, the hills took deep violet and purple hues, and they were deep and transparent as the darkest amethyst."

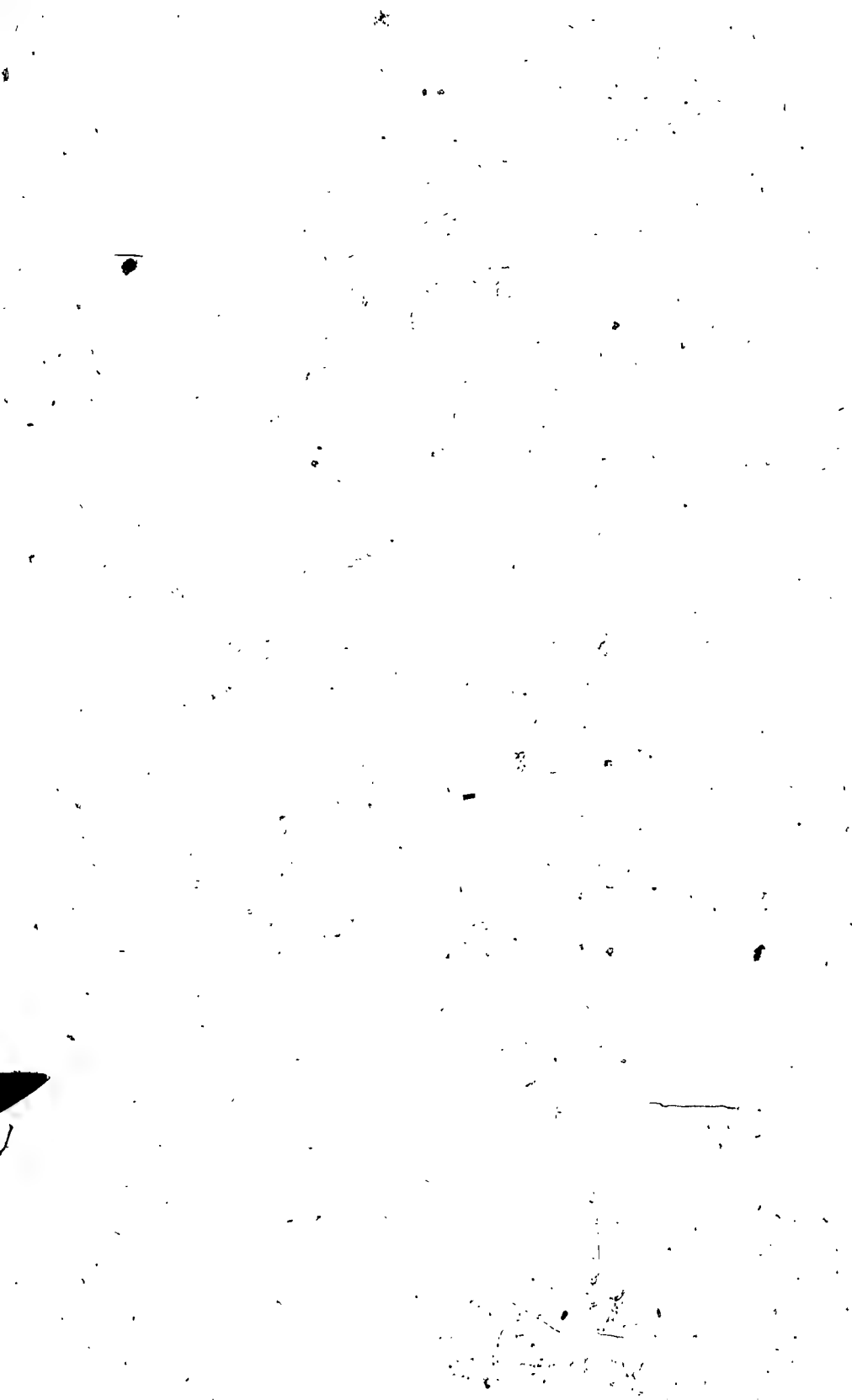
Crossing the river, Morley Roberts and a companion started up the tote road through Rogers Pass. They arrived footsore at the second crossing of the Columbia, where next year the name of Revelstoke was to appear upon the map:

"Never have I seen a more beautiful and magnificent stream than the Columbia River, at the spot where we had just crossed it. It was bright, blue, deep and calm and strong; not a speck of foam was on its bosom, not a break or a wave marred its mirror, save where a breath of wind touched it lightly as a swallow's wing. Yet it was so strong and earnest, and so bent on doing its work in silence. In the late spring and early summer it is, doubtless, turbid and swollen with the rush of melting snow, but now beauty, majesty, and strength were equally joined—the beauty of the lake with its colour, the majesty of a stream hurrying to the verge of a cataract, the strength of a power that the beaten-down barriers of the mountains had proved.



From a watercolor by A. C. Leighton.

Grain Elevators on the Canadian Prairies.



"And before me lay a scene that I felt was worth the toil and pain and endurance that had brought me there to see it. There was no sunlight in the air, for the sky was veiled with a sullen stretch of unbroken cloud, and the wind was calm and quiet. Before me was a stretch of white sand and shingle, over which the waters had been running in the spring, and beyond it, on the flat, a few pines and firs lifted their heads above the lower brush, from which rose the blue smoke of some hidden habitations; and far above this the mountains again, opening into three great and gloomy passes, south and west and north. On the loftiest peaks, the sentinels guarding the ways, lay the snow, and low down the bosoms of the hills were fair garlands of mist and cloud. From the northern pass the river ran, sweeping round the bend to be lost to sight in the southern ways that brought it at last to the Pacific. Through the western pass, a grand and narrow canyon, lay our road over the Golden Range."

Crossing the Eagle Pass, Morley Roberts takes the steamer to Kamloops, and then goes gipsying on to the Pacific:

"At noon I came to Boston Bar, the commencement of the wildest and most terrible part of the Fraser Canyon, where the mountain bases lie close and closer together, and the fierce flood of water boils and surges through its deep and narrow chasm, until it breaks its bonds and frees itself at Yale. This Boston Bar is named from the bar of sand and shingle in the river, which was in early days a great mining place, and is even yet worked at times by Chinamen. Just below the Bar is the sullen-looking gorge, fringed with clouds, into which road and river run. And this was my way. This canyon is other than the canyons, passes, and gorges in the Rockies and Selkirks. All are narrow and mountainous, heavily clad with timber, but there is something about this that makes it stranger and wilder and sterner. But the main feature which influenced my mind was the steepness of the lofty precipices, from whose heights fall after fall, cascade after cascade, leapt to the valley a thousand feet at a bound, swayed by the wind like silver ribbons, or dissipated into foam and spray."

Although even at the present pace of construction it would be two years before a transcontinental service could be established, Stephen was already making plans for a Pacific service. Reports indicated that the terminals at Port Moody proposed by the Dominion Government engineers were too far from the deep water required for ocean-going steamers in a first-class trans-

Pacific service, and negotiations for an alternative terminus were entered into with the British Columbia Government in June. The Allans were asked to consider the possibility of supplying this service, and Andrew Allan arranged to go to England to discuss the question of a bi-monthly service with steamers fast enough to reach Hong Kong in ten days. Van Horne was sent to the Pacific coast to look over the terminal situation and to see for himself what truth there was in the reports that the work on the line being constructed in British Columbia under government contract was being scamped. The *Port Moody Gazette*, in the issue of August ninth, had an editorial on his visit;

"Van Horne, the man that represents the Syndicate was here. He came, he saw, and was evidently disposed to get possession of every unoccupied area within twelve miles of the head of the inlet. The great road will terminate at Port Moody, but it is quite possible that a branch line will go by Burnaby Lake to Coal Harbour. That is the bait he will use with the Local Government to get from them the unoccupied areas on both sides of the Inlet. The Provincial Secretary and several other disinterested patriots have formed a Syndicate and own land at Coal Harbour, and therefore Van Horne can have every unoccupied acre in the Province if he will only promise to give one of the termini to enrich the local land-grabbers commonly called 'Ministers.'"

Onderdonk, like Van Horne, was a man of exceptional culture, and they found much in common, although Van Horne found that the government had retrenched by lowering the specifications, so that much of the British Columbia section was due for reconstruction.

C. C. Schneider, afterwards President of the American Society of Civil Engineers, supplied the contractors with designs for several bridges, including the original Cantilever bridge at Cisco, near Lytton, one of the earliest of its kind in North America, and the wooden Howe Truss bridge over Stoney Creek, on the east side of Rogers Pass, G. H. Duggan working out the detailed drawings for James Ross. The temporary bridge over the Columbia at Farwell, the old name for the present Revelstoke, was built by H. S. Holt.

Onderdonk wired to George Stephen on August fifteenth:

"Van Horne started through Eagle Pass this morning. I examined the line with him nearly one hundred miles east of Kamloops. You will be glad to hear that the engineers have found a most remarkably easy line that will reduce cost on above distance over two millions from what we supposed last winter. The grades and alignment are easy, and the character of the work the cheapest mountain work I have ever seen."

A little earlier than the time when Morley Roberts was tramping westward over Rogers and Eagle Passes, Van Horne started to ride eastbound with Major Rogers and his old friend, Samuel B. Reed, of Joliet, Illinois, on his first trip of inspection. Samuel B. Reed had been General Dodge's superintendent of construction on the mountain division of the Union Pacific, and when the final spike was driven at Promontory Point shoved the last tie into position. No one could be in a better position than Reed to discuss engineering problems, and it was a relief to Van Horne to find that Reed was satisfied with the work being done. His opinion of Canadian engineers went up several points.

At Three Valley, they had to cross a lake, and Jack (afterwards General) Stewart, who at that time was a youth working on construction, but who afterwards became one of Canada's largest contractors, brought a scow across to ferry them over. The scow was old and the legs of Van Horne's horse fell through, causing no end of trouble till Stewart and his helper got it out. The reward of each was a five dollar bill, which looked like fifty to Stewart at that time.

Jack Stewart won a name for himself in the Great War by building the narrow-gauge rail lines on the British front.

At another lake Van Horne himself fell into the water. John F. Stevens, who witnessed the incident, says:

"I have never forgotten, after 48 years, the vigorous and breezy comments about the country and everybody connected with it which he made when we had pulled him back on to the raft

after he had fallen into the icy waters of Summit Lake. *Engineering News Record*, April 11, 1935.

The trail became ever rougher with fallen timber as they went on, so that the last part of the trip was made on foot. Van Horne had reprimanded Rogers, saying that he heard he fed the men in his camps on bannocks and ham rind. "Hell's bells!" replied Rogers with other appropriate expletives, "I don't waste the Company's money by giving them any ham at all." For the great Chief, however, Rogers apparently had provided more generous fare, although he underestimated Van Horne's appetite, for the party ran short of food for two days, and when at last, footsore and hungry, they arrived at the last camp on Rogers Pass, there came the fragrant smell of the forbidden ham. "It was then," said Van Horne to his daughter, "that I learned that a man can smell ham ten miles away." A trip of this nature meant real hardship for a man of Van Horne's build and appetite, for he was a heavy eater. He was always ready to joke about his appetite, and on one occasion when he was asked by a correspondent to send his Coat of Arms, he took his favourite red and blue pencils and sketched "A Dinner Horn, Pendant, upon a Kitchen Door."

His disregard of personal danger on this ride and hike was considered foolhardy by some, but it won for him the respect of the men. This daredevil spirit stood him in good stead in all his dealing with the rank and file. Van Horne himself was so accessible and so much one of themselves that he became the idol of all who worked under his direction, slave driver though he was. They knew that he himself worked twenty hours a day, if not more, for he seemed to need or take no sleep. A new spirit was injected into Canadian railway life.

Continuing his inspection over the prairie section, Van Horne returned to Montréal and submitted a report on September sixteenth which put new heart into the directors:

"I am happy to state, as one result of my trip, that my doubts about the value of the mountain section of the railway have been entirely removed. In addition to the agricultural possibilities of the many valleys of British Columbia and its great mineral wealth, its magnificent forests alone will furnish large and remunerative

traffic for the railway. . . . The coals are the most valuable on the Pacific coast, and are largely mined for shipment to San Francisco and elsewhere. The richness of the fisheries is almost beyond belief. . . .

"The magnificent harbours of British Columbia, its exceptionally favourable situation for commanding the trade of the north Pacific coast and of Japan and China; its abundant natural resources and matchless climate, must surely bring a large and rapid increase in wealth and population immediately upon the completion of the railway. I feel justified in expressing my opinion in the strongest terms that no mistake was made by the Company in adopting the more direct and southerly route instead of that by way of the Yellowhead Pass. The land along the constructed line is as good as land can well be, and the worst of it would be rated as first-class in almost any other country. . . . I do not hesitate to say that the Canadian Pacific Railway has more good agricultural land, more coal and more timber between Winnipeg and the Pacific coast than all of the other Pacific railways combined, and that every part of the line, from Montreal to the Pacific, *will pay.*"

The growth of settlement in the West involved the construction of grain elevators. Van Horne estimated that a million bushel elevator would have to be built every year for the next six years.

The phenomenal progress being made could not fail to have its effect on public opinion. Alexander Mackenzie who undertook a trip over the line as far as the Kicking Horse wired to George Stephen on August eighteenth from Mount Stephen, B. C.:

"I heartily congratulate you on the wonderful work accomplished. Our trip exceedingly pleasant."

Goldwin Smith, the most widely-read editorial writer in Canada, also travelled west over the line this summer. Stephen refers to his articles in a letter to Harry Moody:

"Goldwin Smith has been in the Northwest, having gone as far out as the Bell Farm, and stayed a couple of days at Winnipeg. His impressions are given in the *Week*, and, so far as the agricultural capabilities of the country are concerned, he does the country every justice, nothing can be more satisfactory; but, on other points, he theorizes and gets into all sorts of absurdities.

"I have today written him, and pointed out some of his mistakes, but there is no getting out of his head that the Canadian Pacific Railway is an aristocratic invention to destroy democratic ideas in the Northwest, and other such rubbish. However, his testimony as to the merits of the country is so good that I forgive him for his vagaries."

The westbound traffic from England was also encouraging and confirmed Stephen in his belief and desire that the Canadian Pacific would help to build up Canadian ports. The *Montreal Star* reported early in October:

"It is apparent from the fact that of the 2,016 emigrants going to the Northwest from Quebec during three months of the present season, only sixty-three journeyed by another route than the Canadian Pacific, that the new route is a very important one. The lake ports on the system have grown at an unprecedented rate. From 262 vessels and 26,113 tons of freight in 1882, the figures have increased to 836 and 282,354 respectively at Port Arthur, during the first part only of the season. This does not include eastbound freight and grain. The population of the town has also increased from 1,300 in 1882 to between 4,000 and 5,000, and the present growth seems to be solid."

The Allans did not seem inclined to proceed in the matter of a trans-Pacific service. Ocean steamships cannot be built in a day, but, as Stephen knew from his contact with James Morrison thirty years ago, there was a barrel of business in Japan and China if only it could be tapped. So on October sixth he sailed for England with Sir John Macdonald as his confidant and fellow passenger to see what could be done. On the eve of his departure he said to a representative of the *Montreal Star*:

"I hope by the time I return to have succeeded in establishing a line of steamers to run in connection with the Canadian Pacific between Port Moody, Japan and China. These steamers will make the voyage in three days shorter time than between Yokohama and San Francisco, and will be larger and much finer vessels. The importance of this arrangement can be estimated when it is understood that a saving of ten days for the tea trade is gained on the Suez Canal route."

On October twenty-fourth the *Montreal Star* printed a special news item from Ottawa that Sir John Macdonald had been successful in obtaining a subsidy from the Imperial Government for the projected line of Canadian Pacific steamers between British Columbia, China and Japan. On December twelfth the same paper printed the following story:

"The Honourable J. J. C. Abbott, M.P., General Counsel to the Canadian Pacific Railway, who has just returned from England, stated to a representative of the *Star* today that as a result of the visit of Mr. Stephen to England the Company have three ways open to them of making a connection with the celestials, one being by accepting the offer of the Japanese Government, whose steamers they state are well suited to the traffic, another by contract with a Steamship Company, and the third, the one most favoured, by building ships themselves. At the present time, the honourable gentleman said, owing to dulness in trade on the Clyde, where it is most likely the order would be placed, ships could be built very cheaply and this, he thought, would influence the Company in supplying their want by new ships. The number of ships required would be three, and Mr. Abbott thought they would run every ten days, thus shortening by twelve days the time occupied in making it at present."

Following this, we read in the *Montreal Star* of December eighteenth, quoting "from British Columbia papers just received,"

"Mr. Henry Beatty, who has left for Coal Harbour (on Burrard Inlet) to organize the proposed mercantile fleet to run to Japan, will shortly be followed by Mr. L. A. Hamilton, deputy land commissioner and surveyor."

In the same issue the information is given:

"the name of Vancouver has been chosen by Mr. Van Horne for the terminus at Coal Harbour, on Burrard Inlet."

Van Horne's favourite books dealt with explorers and adventurers. It was natural, therefore, that he should select for the Pacific terminal, of a transcontinental railway, conceived and carried out with such bold enterprise, the name of this great adventurer.

The announcements in regard to a Pacific service proved to be premature, as a rapid change of governments in England pro-

longed the negotiations for a mail subsidy which could only be secured at the expense of the strongly-entrenched P. & O. It was not till Lord Salisbury came into power with a large majority in 1887 that the negotiations could be resumed with much hope of success. The courage and confidence of Stephen in planning this steamship service to the Orient at this time can be realised when we find in the records that in November, 1884, he and his associates, Donald A. Smith and R. B. Angus, raised a loan of fifty thousand pounds by pledging seventy-seven thousand pounds of Toronto, Grey and Bruce bonds with the National Provident Institution of Edinburgh, "binding themselves personally to discharge the loan if the Railway defaults." Money had to be found to carry on construction during the winter months, and this was the only way in which the necessary cash could be found.

In the Valley of the Spey, about three miles from Dufftown, where Stephen was born, there was a rock known to the two cousins on which in the days of the clansmen a sentinel kept watch against all enemies. When the Fiery Cross sped through Speyside, this rock "Craigellachie" was the meeting place of the Clan Grant. So it was that a message sped over the cable from George Stephen in London to Donald Smith in Montreal with the slogan of the Grants, "Stand fast, Craigellachie."



Right: Hon. Alexander Mackenzie
Liberal Premier of Canada
(1873-1878)

NEAR-RUIN AND REBELLION.

Rocks and muskets of the Lake Superior section were draining the company's treasury, and New Year's Day 1885 dawned darkly for the directors. The only hope was that when Sir John Macdonald returned from England, he would agree to another loan, not so large this time but enough to tide them over till transcontinental service could be established. The mortgage on the property required as security for the loan of 1884 had depreciated the market value of the shares, and made it impossible to raise more money through the unsold balance. Creditors were clamouring for cash, and only the masterful diplomacy of Shaughnessy was staving them off.

One of the few gleams of sunshine was a message from Harry Moody, Deputy Secretary in London, that the Intelligence Service of the British Government was evidently becoming impressed with the importance of an alternative route through British territory to China and the East. This was followed by an enquiry from the War Office wishing to know whether the Canadian Pacific Railway could undertake the transportation of war material to the Pacific coast.

When Sir John did come back, his mind was full of a Franchise Bill which would replace the old provincial electoral lists with one for the Dominion, and he found strong opposition in his own Cabinet to any further aid being given to this importunate, however well-deserving, beggar. He wrote to Sir Charles Tupper on January twenty-fourth:

"So far so well. The other side of the picture is dark. George Stephen says the C. P. R. must go down unless sustained. In council Campbell, McLelan and Bowell opposed to relief. McLelan has given notice of resignation. Tom White writes it can-

not be carried, and the press, already alarmed, beginning to sound the tocsin. I myself fear that the *Week* is right when it says that however docile our majority, we dare not ask for another loan. The thing is held up until next week. How it will end, I don't know."—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

Mails were slow in these days, and Tupper's reply from London was not written till a month later:

"February 24, 1885.—I have been greatly concerned by your letter of the 24th ultimo as to the position of the C. P. R. and the attitude of some of your colleagues, and for the first time regret that I left Parliament. I like the position here very much—it suits me—my health is much better, and I am vain enough to believe that I am fairly well qualified for the position and able to do important work for Canada, but I look upon the success of the C. P. R. as so vital to the progress and greatness of Canada that I have no hesitation in placing myself unreservedly in your hands. I cannot believe that McLelan will resign, but I would not hesitate to take his place and carry Nova Scotia for the policy of placing the C. P. R. in a position to successfully operate the road, and under the existing subsidies extend it to St. John, Halifax and Louisburg. Or, if McLelan will stand by the interests of the whole Dominion, (as I consider the C. P. R. inseparably bound up with them) I will, if needed, go back to Parliament as a private member, and sustain you all to the best of my ability. If you let the C. P. R. go down, you will sacrifice both the country and the party, and throw all back again for ten years. I do not believe that either Parliament or the country will consent to this."—Letter in the Public Archives of Canada.

In the meanwhile, the situation was becoming desperate, and Stephen and Smith put up the money from their private funds to meet it. They were not skilled in the alchemy of Wall Street by which water is turned into gold. The tale is told in Stephen's letter to Macdonald dated February ninth:

"You will, ere this, have heard otherwise that in addition to finding the \$650,000 to pay the dividend, we (Smith and I) have had to endorse a five months' note for one million dollars to provide the Company with current funds to keep it going for the

next few weeks. It is necessary you should know this, as in some quarters there is a feeling that we do not do as much for the Company as we might, the real truth being that what Smith and I have done and are doing individually, is simply absurd on any kind of business grounds. I venture to say that there is not a business man in all Canada, knowing the facts, but would say we were a couple of fools for our pains. But as long as we are able to save and protect the Company against its enemies who seem bent on its destruction, we shall not grudge any risk or loss that may occur. Personal interests have become quite a secondary affair with either of us. I hope you know and have seen enough to convince you of that, and being convinced yourself, you may be able to lead others to take the same view.

"After what we have done and are doing, it is killing to have any of our friends think we are simply doing our bare duty by the Company and are making money out of it. . . . It is most important that no time be lost in arriving at a decision as to the re-arrangement scheme, the three months' notes given a month ago to satisfy clamorous creditors will soon become due, and we must be prepared to meet them or — Another reason for avoiding delay is that I am not sure of myself being able to stand the strain for an indefinite time. I have had warnings of which nobody knows but myself which I will fight against and conceal to the last."—Letter in the Public Archives of Canada.

To add to Stephen's anxiety, news came from British Columbia that construction there might be held up by an anti-Chinese Emigration Bill with stringent provisions. Onderdonk wrote to him on February twentieth:

"A large number of Chinamen will necessarily have to come from Oregon and California in the spring to work on your road above Kamloops. It would be well for you to see that this local act is disallowed immediately or it will embarrass us very much in getting the men into the country. I mentioned this in my evidence before the Chinese Commission. I have engaged also all the whites in the country, but they are not enough."

Seeing that it was British Columbia that had once threatened to secede from Confederation on account of the delays in getting the road built, this cut seemed unkind. In sending Onderdonk's note to Macdonald, Stephen added the comment, "These people

are mad." On March thirteenth the British Columbia authorities refused to allow Chinese immigrants to land.

The reports, too well founded to be discounted, that the Canadian Pacific had discarded the Canadian Government engineer's



Louis "David" Riel—1885

choice of a terminal at Port Moody in favour of another nine miles further west at Coal Harbour, created a violent opposition from those who had property investments in that town and its neighbourhood. Van Horne stated the case frankly in a letter to Sir David Macpherson, Minister of the Interior, dated March fourteenth:

"Finding the harbour at Port Moody entirely inadequate to the requirements of the Company at its Pacific terminus, provision has been made for the extension of the line

west along the south shore of Burrard Inlet to Coal Harbour and English Bay, as approximately shown on the enclosed plan.

"Owing to the extreme force of the tide at the First Narrows, the entrance to Burrard Inlet for large steamships will be almost impracticable, except at low tide, and from investigations recently made it seems that English Bay must be utilized as the main harbour; and that the railway must be extended to run along that bay."

The wrath of Port Moody, however, was not lightly to be appeased, and so fierce was the opposition that it eventually took the Canadian Pacific almost as long to complete the nine miles of extension required as it did to construct the line across three mountain ranges.

Encouraging, however, were the traffic returns and the practical experience that the cost of operation during the winter months was less than had been anticipated. In his address to shareholders on June thirteenth, reviewing the situation, Stephen said:

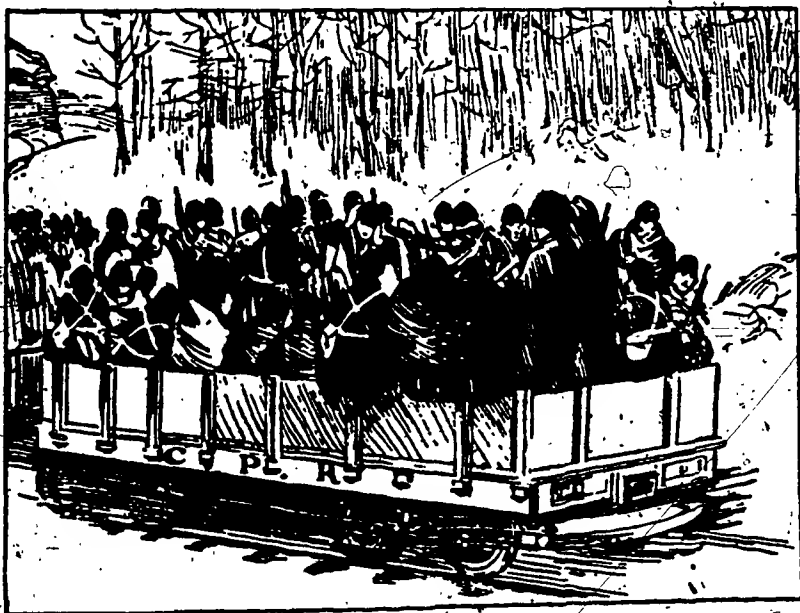
"During the two years we have been working the line between Lake Superior and the Rocky Mountains, we have not had occa-

sion to use a snow plough to keep the line open; and during the past unusually severe winter, not one train has been delayed a minute on all our lines in the Northwest by snow or cold weather."

Stephen was urged to buy or subsidise antagonistic financial newspapers but refused to consider any such policy, saying that the only thing that really counted was good traffic returns, and these would come in due time.

The European shareholders were becoming nervous over the attacks on the company by inspired financial newspapers, and Boissevaine, representing the Dutch group, had come over so as to be on the spot. Macdonald airily suggested that the C. P. R. should add to its branch lines. Stephen found excuses to visit Ottawa and see Sir John personally, but found the Premier evasive. Here is a letter written by Stephen on March twenty-sixth:

"The result of our conversation this morning has satisfied me that the Government will not be able to see its way to extend to the C. P. R. Company the aid it requires. I have therefore wired Mr. Boissevaine not to leave Toronto until he hears from



Flat Car with troops being rushed to suppress the Riel Rebellion

me after 3 o'clock and I would ask you as a favour to me to let me have a line from you after Council rises stating the determination of the Government. I think you will agree with me that I ought to have the decision of the Government in writing, so as to relieve me personally from the possible charge of having acted with undue haste. If the decision be unfavourable I shall wire Mr. Boissevaine to come back to Montreal tonight instead of going on to the Northwest, and we shall at once consider our position and determine what course to follow. I need not repeat how sorry I am that this should be the result of all our efforts to give Canada a railway to the Pacific Ocean. But I am supported by the conviction that I have done all that could be done to obtain it."

—Letter in the Public Archives of Canada.

There was trouble in the construction camps owing to shortage of cash both on the Lake Superior Division and in the mountains. Superintendent Steele wired to Sir John Macdonald that a strike was imminent and that the results might be serious. The situation was so ticklish that when the Lieutenant Governor of the Northwest Territories wired to him to withdraw all his men from the mountains owing to the Riel rebellion, he replied that the strike made it impossible. Three hundred strikers armed with revolvers were threatening the camp at Beavermouth, and were held at bay by eight fearless men of the Mounted Police. Trainloads of track-layers had been intimidated and driven back to the yards, and would not return to work except under police protection. The Riot Act was read, and the strikers warned that they would be mowed down if they attempted to advance on the bridge over the Columbia. The pay car came through on April seventh and then Steele could stay no longer, as every available gun was needed to face Riel and his rebel army.

Louis Riel had appeared again in the Northwest, and by playing upon the grievances of the half-breeds in Saskatchewan, who resented the system of land surveys introduced by the Dominion Government, had proclaimed a new provisional government and raised the standard of rebellion. He called himself Louis David Riel now, announcing that he was the David who would slay the Canadian Goliath. This time he had been more thorough in his preparations. At Duck Lake, on March twenty-sixth, Major Crozier was forced to retire on Fort Carlton with fourteen killed

and twenty-five wounded. Colonel Irvine, arriving with reinforcements, decided to evacuate the fort, and withdrew to Prince Albert. Riel's initial success was followed by the rising of Cree Indians under Big Bear and Poundmaker.

Van Horne wired to Calgary to send Father Lacombe to Blackfoot Crossing, so that he could use his influence with Chief Crowfoot of the Blackfoot Indians, and he speeded out on a locomotive placed at his disposal. Crowfoot yielded to his persuasion, and Father Lacombe was able to wire to Sir John Macdonald that the Blackfoot Indians would remain loyal to the last.

The storm gathering over the Canadian Pacific enterprise cleared for a brief spell through the resourcefulness of Van Horne. Advised of the impending conflict with Louis Riel, the Minister of Militia had ordered General Middleton to proceed with the utmost dispatch to the Northwest. Van Horne with his experience of moving troops over the Chicago and Alton during the American Civil War and with his knowledge of what could be done in an emergency, happened to be in Ottawa, and undertook to transport troops from the capital to Fort Qu'Appelle over the uncompleted track in eleven days on two days' notice, provided the company had complete control over the movement. The first two batteries were delivered at Winnipeg four days after leaving Ottawa, and four thousand troops followed with equal celerity. Lieutenant Colonel Montizambert, commanding the artillery, describes the passage in his official report:

"Here began the difficulties of passing the gaps on the unconstructed portion of the road. About 400 miles between the west end of the track and Red Rock or Nepigon—sixty-six miles from Port Arthur—had to be passed by a constantly varying process of embarking and disembarking guns and stores from flat cars to country team sleighs, and vice versa. There were sixteen operations of this nature in cold weather and deep snow. On starting from the west end of the track on the night of the 30th March the roads were found so bad that it took the guns seventeen hours to do the distance (thirty miles) to Magpie Camp. On from there to the east end of the track by team sleighs and marching twenty-three miles further on; on flat cars (uncovered and open) eighty miles, with thermometer at 50 degrees below zero. Heron Bay, Port Munro, McKellar's Bay, Jackfish, Isbister, McKay's



Colonel Samuel B. Steele

Harbour were passed by alternate flat cars on construction tracks; and, teaming in fearful weather round the north shore of Lake Superior, Nipigon or Red Rock was reached on the evening of the 3rd April. The men had had no sleep for four nights."

The men were kept in spirits by unlimited supplies of hot coffee and good meals from the construction camps, Van Horne believing in Napoleon's maxim that an army travels on its belly.

The opposition in the Cabinet wavered and Van Horne was told that such speedy transportation would put a new face on the question of the loans. But Sir John Macdonald was "Old Tomorrow" to Stephen, and while he had decided to make this further concession, he kept Stephen still dangling on the string, intending to bring the influence of the Canadian Pacific on individual members of his party to swing them into line and vote for his Franchise Bill. Stephen's letter of April eleventh to the Premier graphically illustrates the despair to which he was reduced by this shilly-shallying:

"I do hope something will be done today that will have the effect of saving the life of the Company. I stayed over here today in case I might be wanted. It is impossible for me to carry on this struggle for life, in which I have now been for over four months constantly engaged, any longer. Although I have done my best to save the life and the honour of the Company, I cannot help feeling that I have failed to impress the Government with a full sense of the extreme urgency of the necessities of the Company, and yet I do not know anything further that I can say or do to enable the Government to realize the extreme gravity of the position in which the Company is now placed. If the Company is allowed once to go to the wall, the remedial measures proposed will be useless because too late. I shall be within reach if wanted. Mr. Pope, your secretary, knows where to find me."—Letter in the Public Archives of Canada.



Troops Leaving Dalhousie Station, Montréal; Via C. P. R. to Suppress
Riel Rebellion, 1885.



Canadian Troops En Route for the West, 1885.



Photo by Associated Screen News.

Chief Crowfoot of the Blackfoot
Indians..



Photo by Associated Screen News.

Chief Poundmaker of the Cree
Indians..



On the March against Riel.

Stephen was not bluffing. He and Donald Smith sold or pledged everything they had to help pay the most urgent creditors. Van Horne used to say in after years that the finest speech he ever heard was made in the Canadian Pacific board room. Ruin seemed inevitable, and Stephen turned to Smith saying, "Donald, when they come they must not find us with a dollar."

At the urgent solicitation of two members of the Cabinet, John Henry Pope and Senator Frank Smith, Stephen remained in Ottawa. Senator Rufus Pope, son of John Henry, writes:

"I remember Stephen, afterwards Lord Mount Stephen, in my father's house—my father was busy upstairs—sitting down with his hand on his head and saying 'We are ruined—there is only one man who understands the seriousness of our position and that is your father—It is through him that we must be saved.'"

Humiliated by Sir John's procrastination, Stephen decided to leave Ottawa and checked out of the Russell House where he had been staying. As he came down from his room with his man carrying his valise and coat, Frank Smith stopped him with, "Whither away?"—"No more Ottawa for me," said Stephen. "We're going to assign tomorrow." Smith took him into a corner and argued with him till Stephen realised that he had missed his train, and stayed another night. Smith at once went to Macdonald and gave his own ultimatum to quit if the necessary support for the Canadian Pacific were not given.

On April fifteenth Stephen made what he thought was his final appeal:

"It is impossible for me to continue this struggle for existence any longer. The delay in dealing with the C. P. R. matter, whatever may be the necessity for it, has finished me, and rendered me utterly unfit for further work, and if it is continued, must eventuate in the destruction of the Company. I must go home this evening and if any one should be required here on behalf of the C. P. R. Company, Mr. Van Horne will probably come up. I expect Mr. Boissevaine will be in Montreal today, and tomorrow morning I will have the humiliation of being forced to tell him that our matters with the Government are apparently as far from a settlement as they were the day he left Toronto for the Northwest—

over three weeks ago—and that I have exhausted all my energies in trying to expedite an arrangement of some kind without result. I cannot refrain from saying here that I feel most keenly the position I am placed in. Every day obligations are maturing that three months ago were postponed till now on the faith that by this time we should be in position to meet them, and our ability to pay these obligations or to postpone them again is gone. I do not wish to say anything now about the sacrifices that I have made for the C. P. R. to make it a success, or to take up your time with complaints of any kind, further than to say I have not met with the confidence and support from the Government which I felt I had a fair right to expect."—Letter in the Public Archives of Canada.

Then a letter reaching him next morning in Montréal from Van Horne moved him to fire his last shot, and he sent this wire in cypher to John Henry Pope:

"Get Abbott to translate this. Van Horne writes: 'Have no means paying wages, pay car can't be sent out, and unless we get immediate relief we must stop. Please inform Premier and Finance Minister. Do not be surprised, or blame me, if an immediate and most serious catastrophe happens.'"

This had the result that Sir John Macdonald called a caucus of the party. There was a heated debate, and A. W. McLelan, Minister of Finance, resigned from the cabinet. Macdonald rose to the occasion and said that he himself would resign unless he got the support of the party for this loan. His masterful tactics won the day. On April thirtieth notice was given of resolutions to give the loan which the company required and to change the form of the obligations to the government which prevented the company from marketing its securities.

The military value of the railway was further established when the main line was used as the base for the three columns which marched north from Regina, Swift Current and Calgary. Considering that it had taken from March to August in 1870 to arrange for the conveyance of Colonel Wolseley's troops to Fort Garry to suppress the first Riel Rebellion, and that in 1885 Riel's forces were dispersed and Riel captured at Batoche on May twelfth, the national importance of the Canadian Pacific Railway and the efficiency of its management were triumphantly vindicated.

The rails connecting Montreal with Winnipeg were linked at a point near the Blackbird River, west of Jackfish. Here the last spike was driven by Colonel Oswald, of the Montreal Light Infantry.

The military value of the Canadian Pacific was also realised in British Columbia, though here it was Russia and not Louis Riel that threatened danger. The *Port Moody Gazette* of May ninth has the following item:



John Henry Pope, Acting Minister of Railways

"The building operations that have commenced here together with the rush to complete the railroad, the tri-weekly steamer service to be inaugurated immediately between Port Moody and Victoria, the probability of immediate fortification of the inlet to defend the railroad terminus, and the promised early arrival of nine British ironclads for defense in the event of a war with Russia, will all combine to have a vigorous stimulating effect on Port Moody's brilliant prospects."

The cup and the lip, however, were not yet touching. Sir John had still to pass the Dominion Franchise Bill on which he had set his heart, and nothing would induce him to give precedence to anything else. The Canadian Pacific could earn its loan by playing politics and working for his Bill. The only concession he made was to authorise the Bank of Montreal to advance a million dollars on account, and this, as he afterwards revealed in a letter to Stephen, was in reality unconstitutional. Delegations from the board of directors were dodged by a pastmaster in the art of evasion. Eagerly expecting good news from Ottawa, Stephen would open a letter such as that from Macdonald, of June fifth, and read:

"It is of primary importance that Harry Abbott should run for Algoma. Do try to have this done for me."

Harry Abbott, however, was too valuable a superintendent to be spared, so Stephen stuck to his non-political guns.

At last in the very nick of time, the Canadian Pacific Bill was passed on July twentieth, and the company was saved from bankruptcy.

According to this the thirty-five million dollars of unsold and unsaleable stock was cancelled and replaced by thirty-five million dollars of four per cent fifty-year first mortgage bonds secured by a first lien on the main line from Montreal to the Pacific, subject to the existing mortgages from Montreal to Callander. The government accepted fifteen million dollars of those bonds in part settlement of the existing loan—and granted a loan of five million dollars at four per cent interest for a period of eighteen months on the security of the postal subsidy supplemented by a deposit of five million dollars of the bonds, leaving the balance of fifteen million dollars in bonds available to the company.

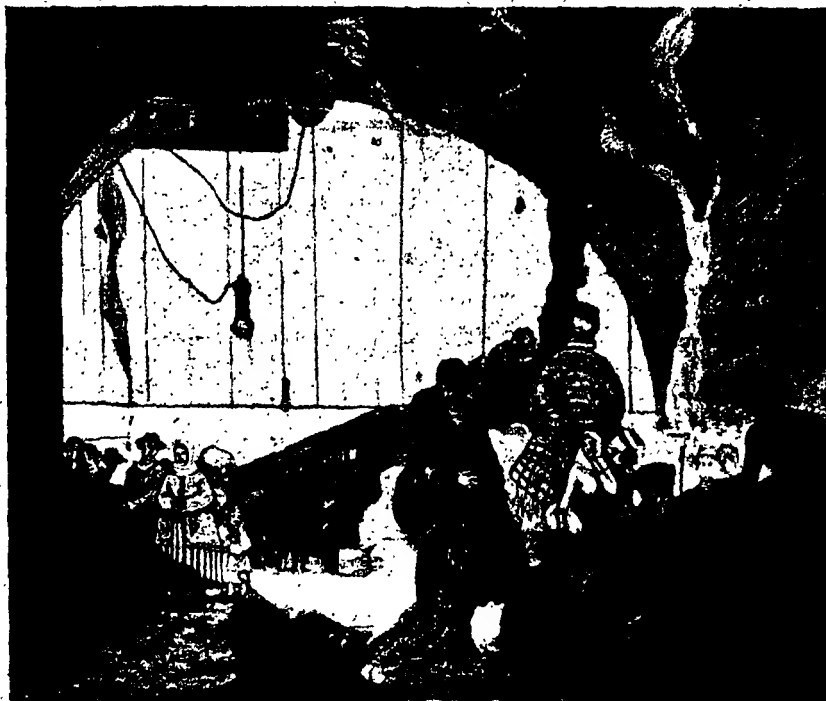
Construction could now go on and the most urgent creditors satisfied. If the main line was to be completed by November as promised, work had to be rushed, particularly on the bridges on the mountain section. The draughtsmen had been hard at work in the camps all winter, the lumber was cut, and all that was needed was the money to meet the payrolls.

In order to realise on the new bonds, Stephen went to England. He went with some misgiving, for Morton, Rose and Company showed signs of losing heart, and it seemed as if he must look for support elsewhere. Fortunately, he had a staunch friend in Sir Charles Tupper, now well-entrenched as Canada's high commissioner. All that Sir John Rose could offer from his firm was seventy-five dollars for a hundred dollar bond. Through Sir Charles Tupper's persuasion, Baring & Glyn, hitherto prejudiced against the Canadian Pacific, owing to their earlier association with the Grand Trunk, came into the market and took the whole issue at ninety-one, payable within one month.

These Dominion Adventurers were like boys in many ways, and like boys behaved the directors when the news was cabled to Montreal. Hats, books and chairs were flung into the air, and the clerks, who used to wait outside the door ready to dash in after a board meeting to scramble for the scraps of paper on which Van Horne left the sketches he scribbled during the board's dis-



Lines in the East Absorbed by the Canadian Pacific up to 1885.



From the painting by Stanley Turner, A.R.C.A.

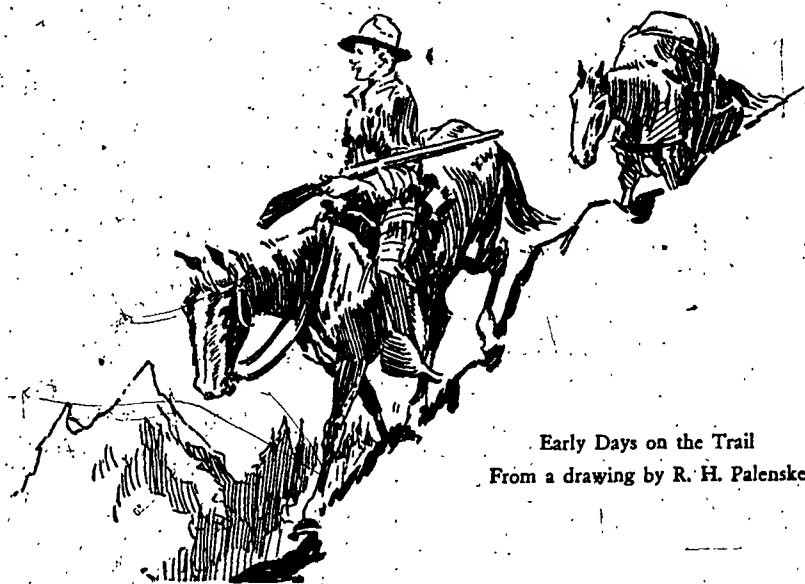
Immigrants.

Old Union Station, Toronto.

cussions, wondered as to the nature of the new intoxicant which apparently was being sampled. Yet when one remembers the strain under which they had been living these last six months, one can understand.

As a gesture of appreciation, the crossing of the Columbia near Eagle Pass, which had just been bridged, was given the name of Revelstoke, in honour of Lord Revelstoke, the head of the Baring firm.

The sale of bonds enabled the Canadian Pacific to repay the five million dollar loan to the government on August seventeenth and a further three million dollars on October nineteenth. In September the obstacles which the Grand Trunk had placed in the way of access to Quebec from Montreal were removed when that railway, under pressure from Ottawa, transferred its shares, property and bonds of the North Shore Railway to the Quebec Government, which in turn re-transferred these on the same day to the Canadian Pacific.



Early Days on the Trail
From a drawing by R. H. Palenske °

THE LAST SPIKE

ONDERDONK completed the lines under his contract with the government between Port Moody and Savona's Ferry by July twenty-ninth, and a month later the Marquis of Lansdowne, Governor-General of Canada, travelled in British Columbia by train to within twenty-eight miles of the railhead being driven westward over Rogers Pass.

Until the lines in British Columbia were transferred to the Canadian Pacific Railway, a service was operated for the government by Onderdonk as general manager and M. J. Haney, general superintendent, at rates which would make the hair of the present travelling public stand on end. In the *Port Moody Gazette* of May 16, 1885, there is a timetable advertisement signed by these two officials with the following footnote:

"Passengers entering trains without tickets, at stations where tickets are sold, will be subject to an additional charge of 75 cents."

Onderdonk's contract of construction for the Canadian Pacific Railway Company from Savona's Ferry to Eagle Pass terminated on September thirtieth, as is indicated by the notice to employees reproduced in these pages, advising the men to draw their pay at Yale. The *Port Moody Gazette* of October tenth has an item which is of interest in this connection:

"The scene at Yale on Saturday last beggars description. A thousand white men lately employed on the railroad rushed out of the cars and into the saloons. In two hours the streets were full of lunatics; they roared and raved and attempted to force their way into private houses. Twelve hundred Chinese arrived by the same train and went into the woods, and cooked their rice. It is amusing to see the difference between Pagans and Christians."

The standard of civilisation brought to British Columbia by the construction of the Canadian Pacific may be illustrated by a further quotation from the *Port Moody Gazette* descriptive of a "C. P. R. Employees Ball" given on October sixteenth at the terminal on Burrard Inlet:

"Elegantly printed invitation cards 'a la mode' were issued to a large number of ladies and gentlemen . . . The spacious hall was decorated with flowers and evergreens tastily arranged, and brilliantly illuminated, not with the dazzling glare of the lamp only, but with the more effulgent beams emanating from the smiling countenances of more than an average sample of the handsome ladies for which our province is fast becoming so justly, as well as proverbially famous. The scene 'en verite' presented 'couleur de rose'—Mrs. Capt. McFadden was attired in black silk, ornamented with gold and tastily trimmed with white lace. Miss Kirkland wore cream-coloured nun's veiling with garnet trimmings and silver jewelry. Miss Manson's apparel was handsome navy blue satin, fashionably trimmed with silver lace and gold jewelry. Miss Westcott, of Yale, wore a black silk and satin dress and diamond jewelry. Miss Dockerill, of Warnock, was elegantly attired in garnet velvet with white lace trimmings and gold jewelry. Miss Odin was neatly attired in ambergris velvet, trimmed in lace, and gold ornaments. Mrs. Stirsky wore nun's veiling with lace trimmings and diamond jewelry, etc., etc."

The music was supplied by cornet, violin and piano, and the ball was opened with a quadrille, with a supper "unique in quality and grandeur and superabundant in quantity."

As the local newspaper reflects so vividly the scene of its period, a further quotation from the *Port Moody Gazette* of October thirty-first seems not unjustified:

"Van Horne is expected at Victoria about the first of next month, and the citizens are preparing to bribe him. He does not represent a constituency on the mainland, and therefore they cannot make him Attorney General or Provincial Secretary. They cannot do for him what they did for a patriot who represented a northern district; they cannot take him over to Wilson's and give him a suit of clothes. Oh! no! but they can give him a good dinner, excellent roast beef and very bad wine; and they can have the

band to play, 'God Save—Van Horne.' When the roaring is all over they can talk of the 'Steam Ferry' and the man in the moon."

Lord Lansdowne had expected to be present at the driving of the last spike on November seventh, and in anticipation of that happy event had ordered a silver spike to be prepared and suitably mounted as a souvenir. Van Horne, however, was of the opinion that spikes of silver and gold were not so good as plain iron. He knew of too many bankrupt roads inaugurated with the driving of a golden spike to consider the more precious metal a good omen. And in his downright fashion he declared that anyone who came to see the driving of the last spike on the Canadian Pacific Railway must be connected with the railway or pay his way.

Dugald McKenzie, who piloted the worktrain bringing ties, spikes, rails and the like to the place where East and West were to meet, was equally emphatic on the subject in his account of the proceedings:

"What do they think we were building—a King's palace? I suppose they think we had caviar for lunch and breakfast served to us in bed."

So the precedent of the Union Pacific was not followed. There were no telegraph wires to carry the sound of the hammer across the continent, and no arrangements to fire salvoes of artillery in Montreal or Vancouver. Nor, as had been arranged at the driving of the golden spike on the Northern Pacific two years before, were any Indian chiefs brought in formally to cede their hunting grounds to the great chief of the Canadian Pacific to the accompanying blare of a brass band. Yet the ceremony as described by Sandford Fleming, now a director of the company, was a fitting climax to the greatest adventure in railway history. The place chosen was on the Eagle Pass, discovered twenty years before by Walter Moberly, and named "Craigellachie" in memory of the historic telegram from George Stephen to Donald Smith. Present were Donald A. Smith himself; Van Horne; Sandford Fleming, with his square white beard; Major Rogers; Marcus

NOTICE!

YALE, B. C., SEPT. 26, 1885.

**AS OUR LAST RAIL FROM
THE PACIFIC
HAS BEEN LAID IN
Eagle Pass to-day,**

And the balance of work undertaken by the CANADIAN PACIFIC RAILWAY COMPANY between Savona and point of junction in Eagle Pass will be Completed for the Season on WEDNESDAY,

**ALL EMPLOYEES
WILL BE DISCHARGED**

On the Evening of September Thirtieth.

Application for position in the Operation Department for the present may be made to M. J. HANEY, but the above portion of line will not be operated until Notice is given to that effect by the VICE PRESIDENT.

ALL ACCOUNTS

Should be liquidated before the TENTH PROXIMO, at Yale, as the books of the Company should be closed on that day.

A. Onderdonk.

Onderdonk pays off the railway workers on construction at Eagle Pass

Smith; Henry J. Cambie, one of the government engineers on the construction; M. J. Haney, working for Onderdonk; John M. Egan, general superintendent of Western Lines; James Ross, manager of construction for the Rocky Mountain Section; George R. Harris, of Boston, a director; John H. McTavish, land commis-

sioner; Arthur Piers, secretary to Van Horne and afterwards manager of C. P. R. steamship services; Frank Brothers, roadmaster; Miller, the porter on the private car *Metapedia*, Tom Wilson, Major Rogers' guide, Dugald McKenzie, locomotive engineer, and E. Mallandaine, a boy. Major Rogers himself held the tie in position. Here is the account that Sandford Fleming wrote for the *Canadian Alpine Journal*:

"It was indeed no ordinary occasion. The scene was in every respect noteworthy, from the groups which composed it and the circumstances which had brought together so many human beings in this spot in the heart of the mountains, until recently an untracked solitude. The engineers, the workmen, every one present, appeared deeply impressed by what was taking place. It was felt by all to be the moment of triumph. The central figure—the only one in action at the moment—was more than the representative of the Railway Company. His presence recalled memories of the Mackenzies, Frasers, Finlaysons, Thompsons, M'Leods, MacGillivrays, Stuarts, MacTavishes, and M'Loughlins, who in a past generation had penetrated the surrounding mountains. To-day he is the chief representative of a vast trading organization in the third century of its existence.

"The spike driven home, the silence for a moment or two remained unbroken. It seemed as if the act now performed had worked a spell on all present. Each was absorbed in his own thoughts. The silence was, however, of short duration. The pent-up feelings found vent in a spontaneous cheer, the echoes of which will long be remembered in association with Craigellachie.

"In a few minutes the train was again in motion. It passed over the new-laid rail amid further cheering, and sped on its way, arriving the following morning at Port Moody, where a connection was made with the Pacific on November 8, 1885."

Asked to make a speech, Van Horne said, "All I can say is that the work has been well done in every way"—then the conductor called "All aboard for the Pacific," and the simple ceremony was over.

Some sidelights on the spike used were given to the Honourable Randolph Bruce, former Lieutenant-Governor of British Columbia, by the late Arthur Piers, afterwards in charge of the

Canadian Pacific Steamship operations, but at that time secretary to Van Horne. According to Mr. Piers, Donald A. Smith struck at first a glancing blow so that the head of the spike turned over. Ready for the emergency, Roadmaster F. P. Brothers yanked the twisted spike out and replaced it with another. This time Donald A. took no chances and drove it home in a succession of careful taps. To him this meant more than the last spike on an overland railway offering a direct route to the Orient. It meant the possibility of an imperial highway to Australia and New Zealand, for it was the imperial idea more than anything else that had caught his imagination. The motives that had led Smith and Stephen to pledge their own personal fortunes in order to save the Canadian Pacific from bankruptcy were somewhat different. Stephen's action was that of a banker of strict integrity who had induced others to invest in an enterprise for which he himself believed there was a great future. If the company's treasury was empty, his own banking account must also be drawn to the last dollar. To Donald Smith the Canadian Pacific meant the settling of the prairies and the nucleus of the All-Red Route, of which in later years he became the protagonist, and he was ready to give lavishly to the cause, just as he volunteered the cost of Strathcona's Horse to the British Empire on the outbreak of the Boer War. These thoughts were running in his mind with every tap of the hammer—one for Winnipeg, one for Regina, one for Calgary, one for Vancouver, one for Hong Kong, one for Australia, one for New Zealand, one for Singapore.

Seeing the discarded spike lying on the track, young Piers slipped it into his pocket, but when the party returned to the car, the observant Donald A. told him to hand it over. He said he wished to use it for souvenirs. The historic piece of iron was then split into thin strips which were mounted with diamonds and presented to ladies who were closely connected with the party but not present. Such is the way of the world, however, that a number of ladies, who had not received a souvenir so interesting, felt piqued, whereupon the resourceful Donald A. secured another iron spike, a larger one this time, and had a new set of iron strips set in diamonds. In the case of this second edition, however, the

strips were larger, so that the original recipients would know. As to the spike that was actually driven, Roadmaster Brothers was afraid that souvenir hunters would tear up his track to secure it, so he forestalled trouble by removing it himself, afterwards presenting it to the present incumbent of the presidential chair, Sir Edward Beatty.

The Governor-General took the absence of invitation in good part and presented the unused silver spike to Van Horne, in whose family it is a treasured possession.

On his return from his trip to the Northwest and to British Columbia, he wrote from Ottawa:

"It is impossible to travel from this city to the western ocean without feelings of admiration for the courage, and I am almost tempted to say, the audacity, both of those who have carried to successful communication this great national work, and those who conceived it. The construction of the Canadian Pacific Railway stands alone in the history of great achievements in railway building. The physical difficulties which had to be overcome, the shortness of the time in which the work was carried out, the small numerical strength of the nation for whom the work has been done, are without parallel in the history of similar undertakings. Our neighbours in the great Republic which adjoins us have, it is quite true, built their transcontinental lines, but it is one thing to follow the lines of a waggon road which has been in use for upwards of twenty years, and another to build such a line as that which carries us to the Pacific. No one who has not threaded the maze of mountains through which your line runs—a maze through which no path, not even a hunter's trail, had been carried until the surveying parties of Mr. Moberly and Major Rogers discovered these passes—can have any idea of the stupendous character of the task. Its successful completion may well be regarded with pride and with admiration, both for the moral courage of those who from the first never doubted the possibility of this great achievement, and of the enterprise and skill of those who have been responsible, first for the location and afterwards for the construction of the line through a country representing such enormous difficulties."

On the day before the driving of the last spike, Lord Lansdowne sent Sir John Macdonald the following official communication:

"I have received by cable, through the Secretary of State, Her Majesty's commands to convey to the people of Canada Her congratulations upon the completion of the Canadian Pacific Railway. Her Majesty is pleased to add that she has watched its progress with much interest, and that she hopes for the future success of a work of such value and importance to the Empire. You will, I have no doubt, take steps in order to give publicity to Her Majesty's gracious congratulations. Let me conclude this note by expressing the hearty satisfaction with which I have learned that this great national work has been successfully accomplished."

—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

H. S. Holt was not present at the driving of the last spike, as he was busy repairing the track over what Van Horne called the "Gumbo Cut" west of Revelstoke, which shrunk and expanded to the despair of the engineers. By working night and day they got the track in shape so that the special train with its precious passengers could proceed safely to the coast, but the crossing was arranged at night as a concession to the nerves. Van Horne gave a sigh of relief when the train pulled into the terminal of Pacific. He knew only too well how much had still to be done before the main line could be used for commercial traffic.

Onderdonk's work on the Canadian Pacific was completed, but his career was far from ended. In the following year he was engaged on the construction of the Entre Rios Railway in South America; then held the contract for boring a tunnel for the water supply of Chicago. This task was financed by Darius O. Mills and the Canadians H. S. Holt and James Ross, who were also at first associated with the project. In 1895 Onderdonk was again back in Canada, undertaking the rock cutting for the Trent Valley Canal, a double track railway tunnel in Hamilton, Ontario, four sections of the Soulanges Canal, and part of the Victoria Bridge at Montreal. When New York decided to build a tunnel under the East River at South Ferry, Onderdonk organised the New York Tunnel Company and successfully completed one of the most difficult engineering works of its kind.

The spirit of the men engaged in this great enterprise is illustrated in the case of Major Rogers, who was voted a bonus of

five thousand dollars by the directors for his services in locating the pass over the Selkirks. As the cheque was not cashed, Van Horne asked him the reason. "Cash that cheque!" answered Rogers, "No, Sir, I have had it framed and hanging on the wall at home, so that my nephews and nieces may know what we did." Van Horne said nothing, but had a gold watch engraved with a suitable inscription about the Major's services to the railway. Next time Rogers was in Montreal, Van Horne drew the watch from the drawer of his bureau and said, "How would you like to have that?" Rogers was naturally delighted, but Van Horne put it back in the drawer and said, "You'll get that watch when you cash that cheque."

After the work on the Canadian Pacific construction was over, Major Rogers surveyed the route for the Great Northern from Sun River, Montana, to Puget Sound. While on that work in the Coeur d'Alene Mountains in Idaho, in 1887, he was thrown from a horse, and died two years later from the effects of the fall.

Stephen was in England when the last spike was driven, negotiating with the postmaster general for a mail subsidy to a Pacific Service. As he wrote to Macdonald just before he left Canada in September: "The C. P. R. is not completed until we have an ocean connection with Japan and China." On October fifteenth Macdonald sent a cypher message—

"Postmaster General cables New Zealand that Canada is ready to negotiate for reasonable subsidy to steam line connecting Canadian Pacific Railway terminus with Australia. See Agents General about this."

The British Government called for tenders for a mail line to China and Japan with a minimum speed of eleven knots, but Stephen pointed out that trade could not be diverted from San Francisco unless the steamers from British Columbia were much faster—they must be as speedy as the fast steamers plying between Liverpool and New York. He offered to put on such a line of steamers on specifications to be approved by the Admiralty, so that they could be converted into ships of war or transports in case of necessity for a subsidy of one hundred thousand pounds. Lord

Salisbury, the Conservative Prime Minister, who had just strengthened India by annexing Burma, was favourable, but the general election in that November left his party in a minority, and all he could do when he was thrown out was to leave a memo expressing the approval of the retiring government and commending the scheme to his successor.

Looking always to the future, Stephen wrote to Macdonald on November seventh, the day on which the last spike was being driven, that he had sunk his personal differences with Duncan McIntyre and joined him on the directorate of an International Railway Company which would enable the Canadian Pacific to establish a short line to the winter port of Saint John, New Brunswick.

On November twenty-ninth Lord Lansdowne wrote the following private letter to Sir John:

"I enclose, but only for your private eye, a note which I have just received from Lord Elphinstone. I have told him that we had not lost sight of the matter, and that I had asked you to ascertain informally whether it would be agreeable to Mr. G. Stephen that I should recommend him for some mark of Her Majesty's favour.

"Could we recommend Mr. Donald Smith for K. C. M. G. without leading to the preferment of other claims by his colleagues on the Board of Directors? I imagine that he has made personal sacrifices, or rather perhaps run personal risks, which have not been encountered to the same extent by anyone else. His position, too, as a venerable and munificent citizen is almost unique.

"What do you say as to the baronetcy? I suppose there are precedents for granting this distinction of services, such as Mr. G. Stephen's, rendered in the Colonies. Even, however, if this were not so, there is a disposition and a natural one, to regard the C. P. R. as an Imperial work and, if the matter be looked at in this light, the distinction given might without impropriety be different from that usually given for purely Colonial services.

"Please write, or if you like, cable to me as to this."—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

As for Sir John himself, he wrote to his old friend Lord Carnarvon, now Lord Lieutenant of Ireland:

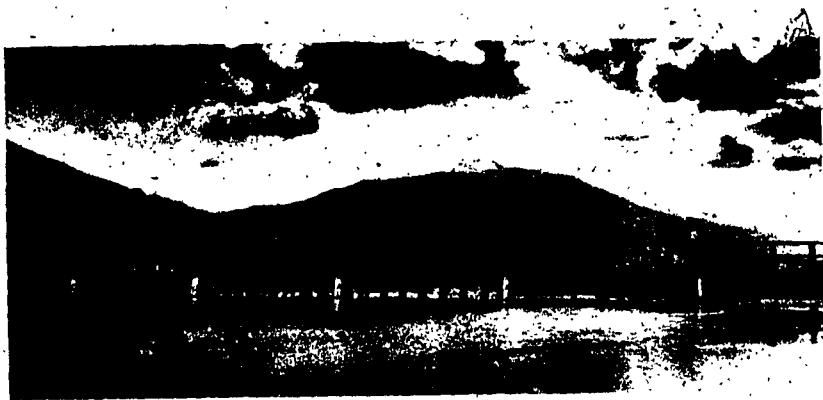
"With the Canadian Pacific Railway finished and my Franchise Bill become law, I feel that I have done my work and can now sing my *Nunc Dimittis*."



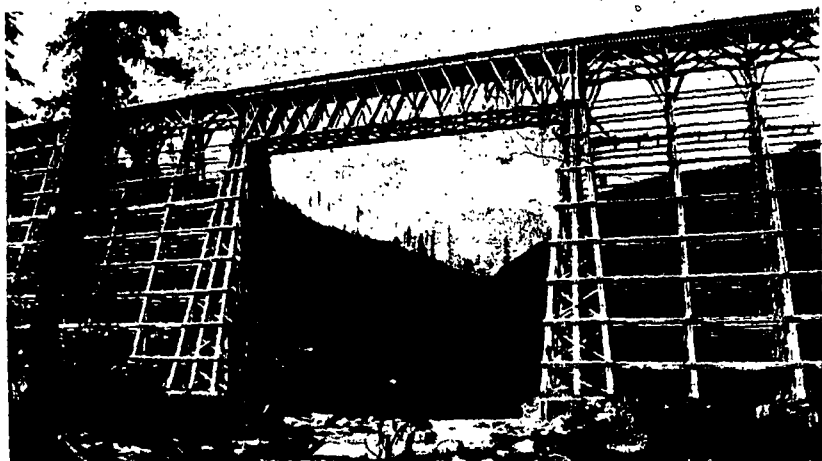
Canada's Welcome to the Immigrant
From a cartoon by Henri Julien in *L'Opinion Publique*



The Driving of the Last Spike by Donald A. Smith (Lord Strathcona) at Craigellachie—Nov. 7, 1885.



Temporary Bridge over the Columbia at Farwell (Now Revelstoke)



Mountain Creek Bridge in the Selkirks.



Courtesy of the Public Archives of Canada.

Trestle Bridge Near Jackfish, North of Lake Superior, Where Construction Gangs from the East Met Those from the West in May, 1885.

FIRST THROUGH TRANSCONTINENTAL

WHILE the driving of the last spike was a landmark in the progress of the Canadian Pacific, the linking of the rails between east and west was only the first stage, not the completion of the enterprise. Traffic had to be secured, equipment had to be provided and a thousand things had still to be done before the transcontinental railway could be considered as in running order. The first through passenger train did not leave Montreal for the Pacific coast till the twenty-eighth of the following June, and the first through freight train of twenty cars not till July sixth. More than that, the railway was only part of the conception which Stephen had in mind. Writing to Macdonald on January 29, 1886, Stephen says:

"I had a visit from Andrew Allan this morning and gave him roughly my ideas as to what would be necessary to *perfect* the Liverpool end of the C. P. R. At first he was startled, but breathed easier before he left me and after he understood me better. He now knows that nothing but the very best and fastest ships will be of any use to us, and that whoever owns them the C. P. R. must have a substantial control over them so as to ensure a unity of action. He is to think over what I said and to see me again. He admits Halifax could be made in 5 days from Liverpool; so could Quebec barring fog or ice or both. I hope you will take time to send Tupper a line now and then to keep him hot on the Pacific line."—Letter in the Public Archives of Canada.

To Stephen the Canadian Pacific meant a service stretching from Liverpool to Hong Kong, a fast overland route between Europe and the Orient, and while the existing steamship lines might serve for the time being to bridge the Atlantic Ocean, the Pacific Service was an essential part of the whole idea and must be established as quickly as possible.

On that account the harbour facilities at the Pacific terminal of the railway were vital, and, as Port Moody was obviously inadequate, nine miles of track were built to the new harbour of Vancouver. The government of British Columbia was alive to the situation and co-operated by granting nine square miles of land adjacent to the harbour for the Canadian Pacific to develop. This land was overgrown with dense timber, but, in a forest clearing, the city of Vancouver was incorporated in April, only to be erased by fire a few months later. Out of the ashes rose another and greater Vancouver, the continual growth of which has been one of the significant factors in the progress of the Dominion.

Unlike the railways of the United States, the Canadian Pacific ran from coast to coast, and as a true transcontinental railway had to incur responsibilities of a nature which never occurred to its original promoters. Van Horne, who lived half his life on the road, and owing to his wide interests came in contact with every type of passenger, realised that the traveller who fared to and from the Orient is for the most part a sophisticated and fastidious eater, particular about creature comforts which he or she can so readily secure from unlimited native help. The dining car service, therefore, must be beyond reproach, and courtesy and consideration must be the watchwords of conductors, porters and stewards. As an artist he saw in the majesty of the Rockies and the Selkirks an asset, if hotels were built for tourists, lovers of the outdoors, writers and artists who would spread abroad the gospel of the new Alpine paradise. "Since we can't export the scenery," said Van Horne, "we shall have to import the tourists." The practical problem of equipment helped him to develop this idea without too great initial cost. There is no hotel so expensive to operate as a dining car on wheels, the labour on which doubles the primary cost of the meals, and as the trains carried passengers of every class and purse, station restaurants had to be built at suitable points in the Mountain districts, lessening the number of dining cars to be hauled, and providing the initial unit of a tourist hotel. Four such units were later adopted for other purposes. The fourth at Glacier, B. C., became and remained, till it burnt down, the Mecca for a considerable number of nature lovers, alpine climbers,

artists and holiday seekers, inaugurating a tourist hotel policy which developed into one of the major land interests of the company. Glacier House, as it was called, lay in a curve of a valley below Mount Sir Donald with the snout of the Illecillewaet Glacier, so to speak, in its back yard. But Nature herself changes, and the glacier in these fifty years has receded out of sight behind a ridge, so that when the building was burnt down, it was not replaced. In the meanwhile, however, other regions of exceptional beauty were made accessible by other hotels, of which more anon.

When the shareholders met on May 12, 1886, the president had an encouraging tale to tell. Most of the loans from the government had been repaid, and on July first the remainder of the debt would be cleared off the sheet.

"The Company will then have discharged all its obligations to the Government, and will have honourably paid back in full the money loaned to it, five years before it was due; in this respect standing alone among Canadian and American railways. And it will have completed its contract for the construction of the railway within one-half of the stipulated time. In the future it will neither expect nor need anything from the Government, but fair treatment, and earnest and judicious effort in the important work of settling up the country, developing its resources and promoting the general prosperity of the whole people of the Dominion; in all of which it will have the hearty co-operation of the Company. . . . The negotiations with the Imperial Government for the establishment of a first-class line of steamships between the Pacific terminus of the railway and Japan and China are still pending. . . . The question of connections with the Australasian Colonies is also receiving the attention of the Directors, and they are also looking towards such steamship service on the Atlantic as will fully meet the requirements of the Company. . . . Arrangements have been made with the Pacific Coast Steamship Company for a first-class steamship connection between the Pacific terminus of the railway and San Francisco immediately on the opening of the through line for traffic."

On the day that the first through train left Montreal for the Pacific, the Marquis of Lorne wrote to Stephen:

"The Queen has been most deeply interested in the account which I have given her of the building of your great railway, the

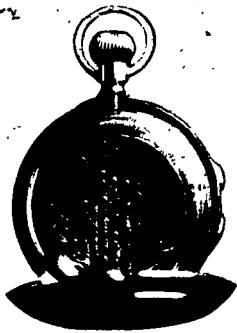
difficulties which it involved and which have been so wonderfully surmounted. Not one Englishman in a thousand realizes what those difficulties were; but now that the great Dominion has been penetrated by this indestructible artery of steel, the thoughts and purposes of her people, as well as her commerce, will flow in an increasing current to and fro, sending a healthful glow to all the members. The Princess and I are looking forward to a journey one day to the far and fair Pacific."

When the first through passenger train started out from the old Dalhousie Station, Montreal, at eight P.M. or rather at twenty o'clock on the new twenty-four time which the Canadian Pacific inaugurated, the locomotive carried a silken banner presented by the civic committee, accompanied by the cheers of the thousands present and the booming of a fifteen gun salute from the guns of the Montreal field battery. It was a mixed train made up of colonist cars, first class coaches, a dining car named *Holyrood* and two sleeping cars appropriately named *Yokohama* and *Honolulu*. These cars were equipped to attract Oriental travel by being provided with baths. The silverware on the dining car excited the reporter of the *Montreal Gazette* who stated that it was valued at three thousand dollars.

Now that trains from Atlantic to Pacific were actually running, the public in England began, though slowly, to take an interest in what was happening. An editorial in the *St. James's Gazette* referring to the opening run said:

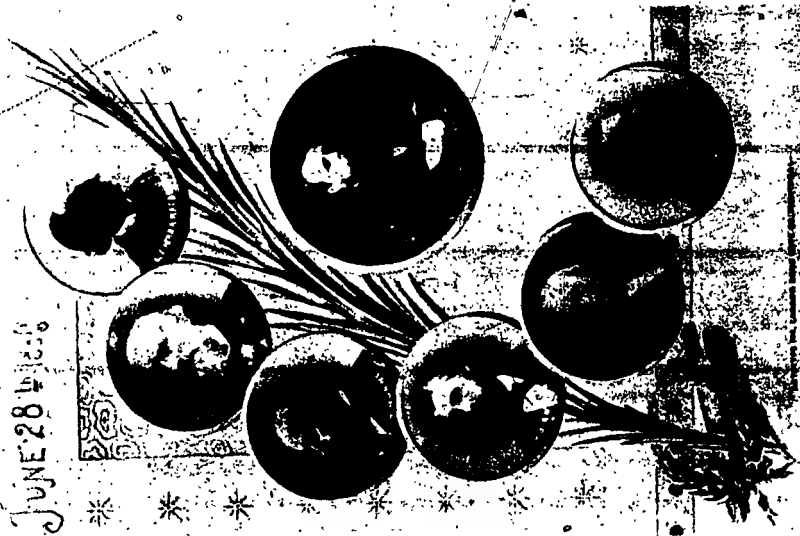
"The full importance of the Canadian Pacific Railway seems hardly to be realized in this country as yet. The completion of the line gives us an alternative route to India and the East, which passes wholly through British territory, and this is likely to have as great an effect on the politics of the world as the construction of the Suez Canal, to supersede as the main line of communication between east and west."

Sir John Macdonald had expected to travel on the first through train to Vancouver, but political problems interfered and he did not leave Ottawa till July eleventh. Speaking at Winnipeg on the fourteenth, he emphasised the Imperial character of the new



Watch Given to Major
Rogers for Discovery
of Rogers Pass.

JUNE 28 1856



Transcontinental Railway
from
San Francisco to the Ocean
1869

Souvenir Ticket of First Through Transcontinental Train.



From the painting by C. W. Jefferys.

Sir John A. Macdonald Crossing Rogers Pass on His First Transcontinental Trip to the Pacific Coast.

railway. The road, he said, had added immensely to the security of the Empire and to the security of her Asiatic possessions, while greatly benefiting the commercial resources of Canada. Alluding to the Asiatic trade, he said he did not think its magnitude was yet comprehended. A great portion of the trade between China and Japan and England would cross this continent over the Canadian Pacific road—Canada would yet have the richest trade with China and Japan.

Already on June nineteenth the American clipper-built barque, *W. B. Flint*, had left Yokohama for Port Moody with a cargo of seventeen thousand four hundred and thirty half chests of tea and other merchandise of far Cathay, ordered by James Magor, president of the Commercial Exchange of Montreal for consignment to the United States, Canada and Europe, and the first tea train of ten cars started out on July thirtieth to arrive at Montreal on August sixth—the quickest delivery from Japan to Eastern America on record. Sir George Stephen (he was a baronet now) and Van Horne were in Vancouver at the time, their visit to Victoria coinciding with that of Sir John Macdonald. Sir John was kept busy making speeches and attending banquets, but for the Canadian Pacific men the business was that of developing that commerce with the Orient on which the ultimate success of the transcontinental railway depended.

One of the first arrivals at Victoria over the Canadian Pacific from England was Lieutenant Colonel O'Brien, of the Royal Engineers, with a staff of three to locate forts for the defence of the Pacific coast. In the light of later developments, it seems likely that measures of defence were contemplated against a possible attack on British Columbia by Russia.

The telegraph system established in connection with railway operation attracted attention this summer when it was announced that the Canadian Pacific would engage in general telegraphic business to all points in Canada in competition with the Great Northwestern System, which hitherto had enjoyed a virtual monopoly and, moreover, would have cable connections all over the world. This was evidently a new kind of railway, and the world began to be interested. The adoption of twenty-four time

had excited wide comment in the United States, where the system had been advocated for some time.

New ideas were the order of the day—one being that of a special commercial train with box cars equipped with shelving and tables for the display of sample goods, and, of course, sleeping and dining cars for the commercial travellers. Each representative was entitled to half a box car and to use available space on the outside of his end of the car for advertising purposes.

Another new feature was the appointment of Doctor Girdwood and a staff of six physicians to travel over the line and attend to all cases of sickness and accidents among the employees. A Canadian Pacific Railway hospital was erected at Chapleau.

A vigorous campaign for settlement was prosecuted, not only in Europe and the United States but also among the French Canadians who were encouraged to go west by the leaders of their church. This settlement, however, was slower than anticipated, as the United States was equally eager for settlers and diverted much of the European immigration south of the International boundary. Hill was now an active and successful competitor for this immigration, as he was extending westward towards the Pacific coast on a well conceived plan of paying his way with local traffic as he went. More than ever it became obvious to Stephen and Van Horne that without through traffic to and from the Orient the position of the Canadian Pacific would be precarious.

The officers who had travelled over the unfinished line on their way to suppress the Riel Rebellion were given the opportunity to repeat the journey in comfort and to go on to the coast at the company's expense. Van Horne sent a perpetual pass to Chief Crowfoot in recognition of the friendly attitude of the Blackfoot tribe towards the railway surveyors and construction gangs. The letter received in reply is surely worth quoting:

"Great Chief of the Railway:

I salute you O Chief, O Great.

I am pleased with railway key,

Opening road free to me.

The chains and rich covering of
your name, its wonderful power

to open the road, show the greatness
of your Chiefness.

I have done.

His
Crow (X) Foot
Mark"

An invitation was also sent to all senators and members of Parliament to make the trip over the through line in small parties or singly if they so preferred and at their own convenience during the season, with of course the offer of the necessary special tickets. Van Horne trusted in the adage, "Seeing is believing." Strange as it may seem, there were still carping critics. The *Toronto Globe* on July thirteenth made the sneering comment

"The salubrious Rocky and Selkirk ranges may now become a summer resort for the fashionable and crowded populations situated between Callander and Rat Portage."

The matter of Atlantic Steamship Service occupied much of Stephen's thought at this time. On September twentieth he wrote to Macdonald:

"I had a chat with Tupper this afternoon on the subject of the Atlantic Mail Service, and repeated to him in substance what I had already said to you on the subject. I most thoroughly agree with the view you expressed in your note to me in June last, while I was at Causapscal 'that the subsidized vessels must equal the speed of the best New York steamers.' To subsidize inferior ships, cattle carriers, and expect them to carry the Canadian mails and passengers, would be great folly, and result in forcing the C. P. R. to seek an alliance with the New York lines for its through business, and rendering the Short Line railway from Montreal to Halifax useless.

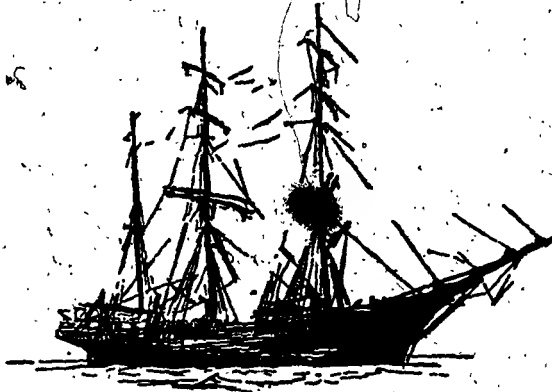
"I feel sure if you advertize for tenders for a fast mail service, giving the option of sailing from Southampton and Plymouth, which is practically as near London as is Liverpool and has the enormous advantage of being accessible at all states of the tide—with the right of calling at a Continental Port, going and coming, stipulating that the voyage from the English Port to Halifax or Rimouski shall not exceed 7 days, or even 6 to 6½ days, and giving 18 months from the date of the acceptance of the contract in which to build the ships—old ships won't do. If you

do this, I am sure I can induce some of the best English Companies to tender for the service. The contract should be for 10 years—5 is too short to secure new ships.

"If you think this suggestion worth considering, it would be necessary, I suppose, to continue the present arrangement with the Allans, pending the building of the ships.

"The C. P. R. cannot take up the Atlantic Service of itself—it would not be politic were it possible. The C. P. R. must be free to use all the lines on the Atlantic, both slow and fast, but while this is a necessity, we have an enormous indirect interest in the Canadian Service on the Atlantic being as good as any, otherwise, it goes without saying, we shall have to look to New York or Boston. I mention this pointedly; as I do not wish you or your colleagues to think that I am trying to secure a big subsidy for the C. P. R. If you stipulate for the proper service, I do not care who gets the contract, certainly the C. P. R. Company will not undertake the service. On the Pacific the position is quite different. We *must* undertake that service—if it is to be done at all, and as you have often said to me during these last five years 'one thing at a time.' The creation of the Pacific line will be quite enough 'Navy' to begin with.

"I cannot think it possible you will make a contract on the basis of the printed conditions prepared by the Post Master General. It would be a fatal blow to the *Canadian* route to the Coast."—Letter in the Public Archives of Canada.



The *W. B. Flint*, which brought the first cargo of tea from the Orient for the new Canadian Pacific transcontinental service

PACIFIC SERVICE AND PRAIRIES

THE RESIGNATION of Lord Randolph Churchill left Lord Salisbury free to pursue his Imperial policy, and the year 1887 saw the first Colonial Conference in London. The original suggestion was a fortnightly service for which a mail subsidy of one hundred thousand pounds was requested, but as this was more than Mr. Goschen, Chancellor of the Exchequer, could afford, an alternative suggestion was made on the basis of sixty thousand pounds per annum for a monthly service between Vancouver and Hong Kong via Yokohama, by means of first-class steamships suitable for service as armed cruisers. The Canadian Pacific offered a service at least equal to the new service via Brindisi and Suez to Hong Kong, at least one week quicker to Shanghai, and at least two weeks quicker to Yokohama, subject to penalties if the times agreed upon should be exceeded. Naval and military men and materials when required were to be carried at cost price or on special rates. Early in the autumn, Stephen had the satisfaction of receiving official notification that her Majesty's Government had decided to grant the contract. As Sir Charles Tupper, the High Commissioner for Canada, stated in an interview, this meant the opening up of a new and rapid alternative postal, commercial and imperial route to the East, valuable in time of peace and safe in time of war. It meant the completion of British lines of communication round the world, and the strengthening of the British position in the Pacific now that Port Hamilton had been given up and that the importance of Hong Kong had been increased, and particularly having in view the reported increase in the Russian Pacific Squadron. In he said, the Canadian Pacific Railway is availed of, and British Columbia is made into a *place d'armes*, men and materials could be moved thence to India more quickly than by any other route.

Lord Salisbury was unquestionably influenced to support the Canadian Pacific Railway as a military route by his observation of the growing aggressiveness of Russia, which was threatening India through Afghanistan and was planning to build a military Trans-Siberian Railway to Vladivostok. This would enable Russia to attack India by way of Afghanistan or the British possessions bordering on the Pacific. Vladivostok had been made the Russian naval base on the Pacific following the Chinese War of 1860, and the island of Saghalien had gradually been occupied till it definitely passed under the Russian flag in 1875. By 1885 the network of railways in Russia had expanded to sixteen thousand one hundred and fifty-five miles of track. Early in September it had been announced that the Czar had given final sanction to the plans for the construction of the new military railway linking Moscow and St. Petersburg with the Pacific coast.

When questioned by the Senate Committee on Interstate Commerce, in 1889, as to why the trans-Pacific steamers were to be suitable for service as armed cruisers, Van Horne replied:

"The Imperial Government has the right to take them in case of war. This plan grew out of the excessive prices which it had to pay for armed cruisers and troopships during the last war scare with Russia, and it is with reference to Russia especially, I think, that they want the ships fitted as armed cruisers. . . . I presume that you are probably aware of the jealous watchfulness of both Great Britain and Russia, each of the other, on the Pacific, and that Great Britain seeks to keep herself as strong as possible on the Pacific and prepared to meet an emergency. Of course the commercial advantage of shortening the mail communication a week or ten days between Yokohama, Shanghai and Hong Kong, and Great Britain, is of great importance as well, but they could not be moved by that argument alone."



Lord Salisbury who gave the Pacific Mail Subsidy through fear of Russia.

Two years were to pass before the formal contract for the mail subsidy for the Canadian Pacific Service to Hong Kong was ratified, but in the mean-

while a temporary steamship service on the Pacific was established by the chartering of three vessels, the *Abyssinia*, *Parthia* and *Batavia* which, according to the annual report of the following year, "fully justified the expectations of your Directors as to the value and importance of the trade to be developed in that direction." The official recognition by Downing Street of the existence of the Canadian Pacific as a route to the Orient was reflected in Sir John Tenniel's cartoon in *Punch*, entitled "The New Northwest Passage." In that title was summarised the history of four hundred and forty years of exploration and valiant enterprise starting from the first voyage of John Cabot to Hudson's Strait and continuing in the ventures of Martin Frobisher, John Davis, Francis Drake, Henry Hudson, William Baffin, Luke Foxe, Thomas James and countless others in search of a passage through the frozen seas north of America, changing into the overland passages of the fur traders who found in the rivers, lakes and portages a waterway that might be arduous and yet was feasible, and culminating in the double track of steel which skirted lakes, bridged rivers, crossed the prairie plateaux, penetrated the mountain passes and rock-walled canyons to link Atlantic with Pacific. French and Scots had blazed the trails; Scots, Americans and Canadians had made the railway an accomplished fact, welding incidentally the scattered populations of diverse Colonies into one great Dominion proud to belong to the British Empire, and linking the outposts of that Empire on the coast of far Cathay with the motherland. It is not without significance that Van Horne had in his library a complete and well-thumbed collection of books on these voyages and adventurous explorations.

But the links in the chain were not all completed yet, and though those men of vision who had planned and actually built the overland transcontinental railway saw that the goal was at last in sight, there was an immense amount of work still to be done before the ultimate ideal could be realised, and Liverpool and Southampton could be linked with Hong Kong by a system operating rail and steamships across two oceans and a continent under one flag. The start had been magnificent, but the race was not yet won.

The steady stream of passenger and freight business passing overland through Canada to and from the Orient is indicated by a perusal of the contemporary files of the *Montreal Gazette* which evidently considered this news of major importance. In one week it records as passengers leaving Vancouver by the new Pacific Service the Governor of Hong Kong, the Bishop of Shanghai and the Prince of Siam and Suite. On August twenty-fourth of the same week it records:

"The New York Ontario and Western in conjunction with the Canadian Pacific Railway has established a transportation line known as 'Ontario's Fast Freight Line,' the terminals being New York City and Vancouver, the trains leaving either point daily. The first cars of the new line from Vancouver passed through Middletown, N. Y. on Wednesday, laden with raw silk from China, and with sundry products of the Pacific Coast."

Following an inspection trip by Sir George Stephen, Sir Donald Smith and Van Horne, an extensive programme of replacement of trestle bridges with more permanent structures was inaugurated. A large number of the timber trestle bridges and wooden truss bridges on the government-built section between Fort William and Winnipeg were inferior structures in the first place and required renewal. In the Selkirks, reported Van Horne;

"the most important work is the construction of sheds and other works for protecting the line against snowfall and avalanches. Many of the sheds were found to be too short, and during the month of March, when the heaviest avalanches come down, their portals were filled with snow, ice and debris . . . The line from Savona's Ferry to Port Moody, 213 miles, turned over to the Company by the Government, was accepted under protest as in an unfinished and generally unsatisfactory condition. In order to keep it open and safe for traffic, the Company has been obliged to expend considerable amount in removing rock and earth slides, in strengthening bridges, and generally in temporarily protecting the line. The rectification and completion of the work on this section has been provided for by an agreement with the Government, and all questions relating to it are to be determined by arbitration . . .

"A wharf 1000 feet long has been built by the Company on the Coal Harbour front of Vancouver, and three large freight sheds have been built thereon . . . Facilities for passenger and freight

PUNCH, OR THE LONDON CHARIOT.—OCTOBER 16, 1887.



THE NEW NORTH-WEST PASSAGE.

—BRITANNIA. "NOW, FROM MY WESTERN CLIFFS THAT FRONT THE DEEP
TO WHERE THE WARM PACIFIC WATERS SWEEP
AROUND CATZAT AND OLD KIPANGU'S SHORE,
MY COURSE IS CLEAR. WHAT CAN I WISH FOR MORE?"

Sir John Tenniel's cartoon following the granting of the Pacific Mail Subsidy
Reproduced by permission of the Proprietors of Punch.

traffic sufficient for present purposes have been provided at Vancouver, and workshops for locomotive and car repairs are building. . . .

"Of the main line generally, within ten weeks from this time (September 6) the line will be in excellent condition throughout, meeting every requirement of a first-class railway, capable of carrying a heavy traffic with the greatest economy, and equal to any need or emergency requiring an especially fast train service."

The extension of the main line from Port Moody to Vancouver was opened for traffic on June first. The population of Vancouver grew in this year to seven thousand souls, and for lack of adequate facilities suitable for trans-Pacific passengers, the Canadian Pacific itself commenced to build an hotel. Another hotel of a character to attract tourist traffic was commenced at Banff from designs by a leading American architect, Bruce Price, who was also commissioned to design a new terminal station building at Windsor Station, Montreal. The financing of the hotels came from the sale of townsites along the line. As a gesture of recognition to the French-Canadian population, and in tribute to the French explorers who had blazed the trail for the Canadian Pacific, Van Horne arranged that the type of architecture for Montreal and Banff should suggest the French Chateaux.

On this trip a number of the mountain peaks in the Rockies and Selkirks were renamed, a procedure which provided J. W. Bengough, Canada's leading cartoonist, with the opportunity for banter.

Owing to the amount of construction still going on, the pay car played an important part, particularly on the Lake Superior section, where settlements were few and far between. This car had to be a travelling arsenal as it might have to be backed down into some pit where a thousand or more labourers, frequently including a percentage of toughs, were at work. A slight inaccuracy on the part of the timekeeper might easily provoke a riot. The "hold-up" man was rare, as it was not so easy to get out of the country. The money was paid in bills from a large black suitcase, and pay day was known as "the day the ghost walks."

In the east, construction of a line connecting Montreal with Smiths Falls considerably shortened the mileage to Toronto. The completion of the St. Lawrence bridge and construction of a line to West Farnham provided access to Boston and Portland.



From the painting by A. Sherriff Scott.

Bow River and Farholme Range at Banff.

One difficulty which came to a head this year resulted from the conflict between Dominion Government and the government of Manitoba as to provincial rights. On several occasions Premier Norquay of Manitoba had given charters to local railways running to the International Boundary, and, as these were a violation of the Dominion Charter to the Canadian Pacific Railway, Sir John Macdonald as promptly disallowed them. The agitators in Winnipeg raised such a hullabaloo in 1887 when the Red River Valley Railway was disallowed that Norquay stiffened his demands for recognition. Sir John wrote to Stephen that whether the C. P. R. supported him or not he was determined to uphold the British North America Act, and the rights given under the charter. On June fifteenth he wrote to Sir John Rose, his financial adviser in London:

"I cabled you yesterday that the Government of Manitoba was destroying the credit of the Province. Now, as you know, the loss of credit of any one of the Provinces of the Dominion causes injury to the credit of the Dominion of which the Province is a member. The present Government at Winnipeg are altogether careless of the prestige or prosperity of their Province. The members of that Government are all impecunious, and think only of a continuation in office. When you reflect on a legislature of 35 members, with a population of some 110,000, coolly devoting a million of dollars to build a railway from Winnipeg to the frontier, between two lines owned by the C. P. R. running in the same direction, one on the East and the other on the West side of the Red River, when there is not business enough for one of the two existing lines, you can understand the recklessness of that body."—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

Van Horne, who had been greeted on his arrival in Canada less than six years before as "that damned Yankee," was now a fervent Canadian. In an interview following a trip to the West, Van Horne declared:

"The real promoters of the Red River Valley Line are annexationists, and its completion will certainly be followed by a demand for the removal of the Custom House. The Red River Valley rail-

way in itself could do nobody but the Province of Manitoba any harm, as the Province must pay for it and support it, but the political consequences of its construction, I believe, will be most serious. . . . Goldwin Smith lectured in Winnipeg a few days ago on commercial union (with the United States) and every one of his utterances favouring annexation was lustily cheered by a well-organized *claque*."

Stephen, who had threatened to move the C. P. R. shops from Winnipeg to Fort William if Winnipeg persisted in this agitation, summarised the company's position in a statement to the shareholders dated September twelfth; of which the following are extracts:

"It was deemed absolutely necessary to the procuring of the requisite capital, to the safety of the capital to be invested and generally to the success of the enterprise, that the traffic of the territory to be developed by the railway should be secured to it for a reasonable period; and the term of ten years from the time fixed for the completion of the railway was agreed upon. Without this provision for protection the necessary capital could not have been secured and the railway could not have been made. . . .

"The same protection was insisted upon by the Government in respect of the Canadian Pacific Railway when it was commenced as a public work, long before the Company was thought of."

"Winnipeg at the time was a mere village, and the Settlements in Manitoba were mainly confined to a narrow fringe along Red River. The Province hailed the signing of the contract, and hardly a voice was raised in objection to the so-called 'Monopoly Clause.' . . .

"The immediate effect of the opening of the railway between Lake Superior and Winnipeg was an enormous reduction in the rates heretofore paid by the Province to and from the East over the American lines. . . . It has been the aim of the Company to so adjust its tariffs that the settlers in the Canadian Northwest should receive more from the products of their farms, and pay less for fuel and no more for the other necessities of life than settlers similarly situated in the United States."

"The inevitable consequences of over-speculation have been mistaken by many people in Winnipeg and some other towns in Manitoba for the need of railway competition. . . . The local political parties have vied with each other in securing to themselves the support of the malcontents, and this has resulted in the



Photo by Notman.

Loading Tea from China at Port Moody—1886.



Real Estate Office on Burrard Inlet.



Photo by Notman.

S. S. Parthia—Chartered for Pacific Service of the C. P. R.—1886.



S. S. Abyssinia—Chartered for Pacific Service of the C. P. R.



Van Horne's plan of naming peaks in the Canadian Rockies creates amusement

From a cartoon in *Grip* by J. W. Bengough.

Courtesy of T. Bengough.

undertaking by the Provincial Government to construct a line of railway to the International Boundary, where it has agreed to make a connection with a line advancing Northward from the Northern Pacific Railway.... The Acts of the Local Government, providing for the railway in question, are in direct violation of the British North America Act.

"It would be absurd to urge that the completion of the sixty-six miles of railway undertaken by the Government of Manitoba would ruin the vast Canadian Pacific System, but its construction would be a violation of the contract with this Company, and the Directors feel it to be their duty to maintain the rights of the Company in the matter in every legitimate way. . . .

"The Parliament of Canada, at its last session, sustained the Government by an extraordinary majority, in the determination to prevent, if only as a matter of public policy, the building of railways in the Northwest to the International Boundary, and the prompt action of the Governor-General in disallowing the acts of the Manitoba legislature relating to the Red River Valley Railway, followed by active step by the Minister of Justice to stop the work by injunction, is sufficient evidence of the intention of the Government in this regard."

There were humorous aspects of this conflict which the veracious chronicler should not omit. On August twentieth Sir George Stephen, Sir Donald Smith and Van Horne were due in Winnipeg following an inspection trip over western lines, and the provincial attorney planned to serve them with subpoenas for appearance in court, knowing that Stephen had planned to catch a steamer for England and hoping to make him miss it. Van Horne got wind of this and arranged to transfer their car to a special train which slipped through Winnipeg, so that when the sheriffs hunted for the magnates, these were found to be already out of their jurisdiction in Ontario. "A great joke" was Van Horne's comment to the Montreal newspapers which dealt with the whole affair in a similar spirit, using headlines such as "All Quiet on the Red," "The Sanguinary Conflict Not Yet Begun."

The Manitoba Government discovered that if it were to get the rails ordered from England before winter, it must ship them over the Canadian Pacific, which in its turn was quite willing to accept the business of shipping them, provided it was paid. One shipment was made and rushed from Montreal to Winnipeg, but then funds gave out and the balance lay rusting on Montreal wharves. Premier Norquay went to New York, hoping to raise the wind, but found the financiers there unwilling. The contractors refused to go on and on October second the newspapers had this item:

"The entire motive power of the famous Red River Valley Railway, consisting of one locomotive, has been sold by the Northern Locomotive Works to Mr. J. J. Macdonald for the River du Loup and Edmundston Railway, the Manitoba Government having been unable to pay for it, and Mr. Ryan, the contractor, having disclaimed any responsibility in the matter."

At this time the front page story in the American newspapers was the trial and condemnation of seven Chicago anarchists who had thrown bombs in the Haymarket. The public character of the day, whose lucubrations excited almost as much attention as a presidential statement, was an eccentric from Milwaukee named George Francis Train, who set the North American continent from coast to coast rocking with laughter with the announcement that he was planning a revolution in the Canadian Northwest:

"Norquay is not only fooling the people up there. He does not intend to build the Red River Valley railroad, but I will build it. I have a contract with the Northern Pacific, and I will build the road, but I will do more than that. I will annex Manitoba to the United States or create a separate Republic up there. . . . We'll make up there the great commonwealth of Anarchy. It will be called the Republic of Anarchy, and it will have free laws, free speech, free soil, free people, free water, free gas—free! free! Everything free! Universal co-operation under my chief psychoing. There will be a cabinet of seven men, everything on the principle of seven, and the seven Anarchists in the Cook County jail (at Chicago) will compose the first Commune Council. Citoyenne Parsons will be the first President of the United Communes of Anarchy, of which there will be seven. Citoyenne Nina will be Vice-President. Each of the seven prisoners will be placed over a separate commune, and they, together with the President and Vice-President, will constitute the Sovereign Government of the country! Psycho! Do you? eh? . . ."

"John Norquay is under my control. I psychoed him in New York last month. He came to see me at Madison Square when he was in New York, confessedly to float bonds to build the Red River Railroad with. . . . He begged of me to save Manitoba. Told him no use. Too late! Then he begged me to spare his life and appoint him to office after the revolution. Psycho! . . . I will make him chief psycho over the Rat Portage Commune!

"We are thoroughly armed, equipped and ready, only waiting

STEEL OF EMPIRE

to get the seven Anarchists out of jail. They are to march in front of the army and carry seven red flags. Dumont, who escaped when Riel was captured, has charge of the force. He has 10,000 men in Montana, scattered all along the border. Every man has ten bombs. . . . Now they want me to leave Chicago. I'll do it tomorrow if they will let me take the seven prisoners with me. We are all ready to march on Manitoba, all we are waiting for is the freedom of the Anarchists. We are going to show the world what anarchy is and how Communism can prosper. . . . Twenty millions of people now living in the United States will emigrate to Manitoba next year. The railroads, of course, will not be used. They will march in communes of five thousand each with the red flag. . . . It will take but a few months to send in a million people from this country, all carrying scientific weapons. We will cut the Canadian Pacific Railway and before the Canadians can send up their volunteers, we will fill the country.

"Yes, Sir, we are on the eve of a great revolution. It means all the world for anarchy and anarchy for all the world before it is done."



"WE CANNOT CHECK MANITOBA."

(BUT WE CAN TRY BRIGHTLY HARD TO.)

From a cartoon in *Grip* by J. W. Bengough

Courtesy of T. Bengough.

VAN HORNE RAMPANT

THE NORQUAY administration in Manitoba was succeeded by that of Thomas Greenway, who went to Ottawa and with the support of the Conservatives of Manitoba affected a settlement with Macdonald, under which the so-called "Monopoly Clause" in the Canadian Pacific Charter was cancelled. In return for this modification of its contract, the Dominion Government guaranteed the interest on a new issue of fifteen million dollars of three and one-half per cent bonds, thus enabling the company to raise money for extensive improvements and additions to rolling stock. As Van Horne said, it would not cost the government one cent, while a source of friction was at least temporarily removed. In his own pungent phraseology:

"Ninety per cent of the Canadian people suspect the motives of any Company, no matter how lofty its aims or impeccable its business ethics."

The Canadian Pacific offered either to construct and operate the Red River Valley Railway for the Manitoba Government or to lease one of its own existing parallel lines, but the Manitoba Government had "Competition" as its slogan, and at once entered into an agreement with the Northern Pacific, which organised the Northern Pacific and Manitoba Railroad Company to build lines competitive with the Canadian Pacific in that province. Even Jim Hill's line, the St. Paul, Minneapolis and Manitoba Railroad, was refused the opportunity of tendering or obtaining running rights in the belief that it was in collusion with the Canadian Pacific, although by this time Hill was now vigorously competing with the Canadian Pacific for settlers and for freight traffic.

The completion of the negotiations with the Imperial Government for a mail subsidy to facilitate a fast service to the Orient

was to Stephen the realisation of his dream, and on August 7, 1888, he announced to the shareholders his resignation from the presidency in favour of Van Horne:

"From the time when I became a party to the contract with the Dominion Government for the construction of the Canadian Pacific Railway, and consented to accept the position of President of the Company, it has always been my intention to relinquish the active chief control of the affairs of the Company as soon as the task which I then undertook should be completed. This task was partially finished when the line was opened for traffic through to the Pacific Ocean over two years ago; but at that time so much remained to be done towards the firm establishment of the enterprise, and its future development and success, that, in deference to the wishes of my colleagues, I consented to continue for a time in office. Warned now by the state of my health, finding that the severe and constant strain which I have had to bear, for the past eight years, has unfitted me for the continuous and arduous duties of an office in which vigour and activity are essential; feeling the increasing necessity for practical railway experience, and believing that the present satisfactory and assured position of the Company offers a favourable opportunity for taking the step I have so long had in contemplation, I have this day resigned the Presidency of the Company, which I have had the honour to hold since its organization.

"In taking this step it may not be out of place to say, that my pecuniary interest in the enterprise remains undiminished, and that the welfare of the Company is, and always must be, to me, a matter of the deepest possible interest; and that as a member of the Board of Directors I will always be ready to aid and co-operate with my colleagues in everything calculated to protect and promote the interests of the Shareholders.

"In resigning the position of President of the Company, it is, to me, a matter of the greatest possible satisfaction to be able to say, that, in my successor, Mr. Van Horne, the Company has a man of proved fitness for the office, in the prime of life, possessed of great energy and rare ability, having a long and thoroughly practical railway experience and above all an entire devotion to the interests of the Company.

"In conclusion, I cannot refrain from congratulating the Shareholders upon the arrangements recently completed by Sir Donald A. Smith and myself, which will have the effect of securing to the Canadian Pacific Railway the permanent friendship of the two

new and important American lines extending from Sault Ste. Marie to Minneapolis and St. Paul, on the one hand, and to Duluth on the other, and reaching a traffic the importance of which it would be difficult to overestimate.

"It is also a matter for congratulation that arrangements have been practically settled with the Wabash Railway for a permanent connection between the Detroit River and Chicago, and the southwest; and further, that the long-pending negotiations with the Imperial Government for the establishment of a first-class steamship line between Vancouver and Japan and China have at last been concluded."

The change was not unexpected, for though Van Horne always remained a loyal admirer of Stephen, he was so much more familiar with the practical problems of the railway that it was to him rather than to Stephen that most people, even the government leaders, were now turning for information and action. Seven years in Canada had softened some of the brusqueness which had characterised his first entry into Winnipeg, and in Montreal he had found a congenial circle interested like himself in art and the refinements of culture. While he was a tornado for work, his magnetic personality and lovable character made friends for him in all walks of life, particularly among the officers and employees of the company. His collection of Japanese pottery and porcelain, commenced before he came to Canada, was now world-famous, and accentuated his interest in the contacts provided by the Oriental services of the Canadian Pacific. His interest in art included architecture, and in the station buildings, such as the new head office in Montreal, and in tourist hotels such as that at Banff, he found business could well be combined with pleasure. An artist himself of genuine skill and inspiration, he found time to belong to a Bohemian Club of painters, architects and writers, the Pen and Pencil Club of Montreal, the minutes of which record that on one occasion he submitted the sketch of a sea serpent. Some of his Montreal artist friends, such as William Brymner and G. Horne Russell, both of whom became in their time presidents of the Royal Canadian Academy, were encouraged to paint in the Canadian Rockies, and there were few visiting artists who passed through Montreal without getting in touch with Van Horne.

Advertising was to him one of the arts, and no railway received more publicity from paintings, magazine and newspaper articles than the Canadian Pacific. The large posters with arresting slogans which he personally phrased were laughed at, but as they were so much talked about, they served their purpose. One read:

"'How High We Live' said the Duke to the Prince on the Canadian Pacific Railway."

Another read:

"By Thunder!
Bay passes the Canadian Pacific Railway."

And a third:

"Parisian Politeness
on the Canadian Pacific Railway."

A fourth:

"Wise Men of the East
Go West by the C. P. R."

Notman, the Montreal photographer, could not make his mountains too high to suit Van Horne.

When the new Governor-General, Lord Stanley, accompanied by Frederick Villiers, of the *Illustrated London News*, paid his first vice-regal visit to the Northwest in 1888, a ball arranged at the new Banff Springs Hotel was the talk of Canada.

Van Horne's American origin provided occasion for criticism among those who did not personally know him, and in England particularly, the enemies of the company, fostered by Sir Henry Tyler and his myrmidons, protested against the selection of a foreigner as president of this Imperial Highway. There was an anti-American feeling at Ottawa from which Sir John Macdonald himself was not entirely free, but he wrote to Stephen (now in England) on October twenty-second:

"Van Horne came up here the other day to have a talk on things in general, and Atlantic steamers in particular. We got on very well together, and, the arbitration once over, I look forward to

satisfactory relations . . . Greenway and his Attorney-General Martin, are behaving outrageously. I am writing heaps of letters to the N. W. and sometimes think of going up myself. If I were ten years younger, I should be there now."

This letter was written at a time when the conflict between Manitoba and the Dominion Government was once more coming to a head over railway extension. The General Railway Act (51 Vic. Cap. 29) specified that—

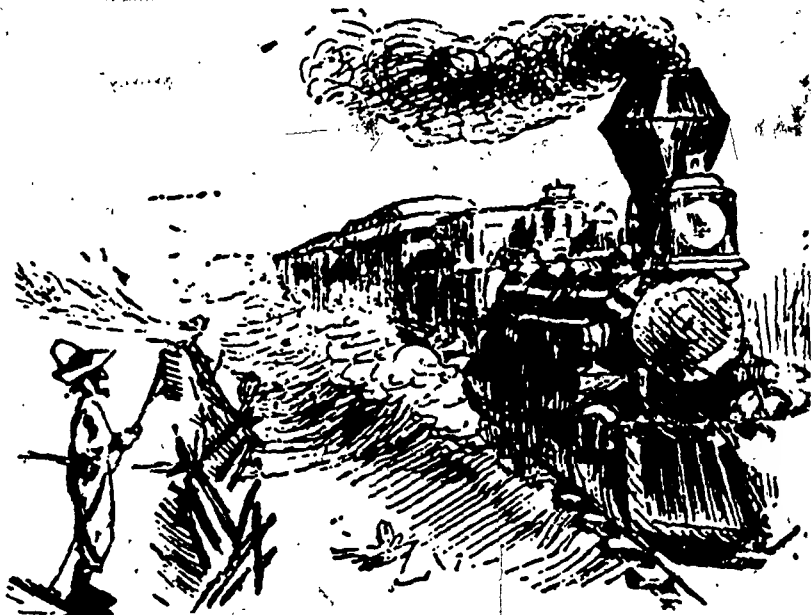


Sir William Van Horne, K.C.M.G.
Knighted in 1894

"No Company shall cross, intersect, join or unite its railway committee for approval of the place and mode of crossing, intersection, junction or union proposal. . . . The railway Committee shall have power to hear and determine any application, complaint or dispute respecting the crossing of the tracks of one Company by the tracks of another Company."

—with power to submit a case to the Supreme Court of Canada.

As a precaution against possible collisions, this seemed a not unreasonable condition, but the Northern Pacific and Manitoba Railroad did not wait for permission, and attempted to cross the Canadian Pacific tracks at three points. Van Horne was encouraged by Macdonald to insist that the provisions of the Dominion law should be adhered to, and naturally this was taken by the advocates of competition as an attempt by the Canadian Pacific to restore the monopoly which had just been abrogated. Van Horne was essentially a poker player, prepared to bluff on the cards that had been dealt him. It was a game where bluff was needed, as he himself had set a precedent for the Northern Pacific's action by running what was termed a trick line across a Provincial railway some time before. When Attorney-General Martin, of Manitoba, who was also vice-president of the Northern Pacific and Manitoba Railroad, swore in special constables to protect the invaders, who were ordered to proceed without waiting for the decision of the Supreme Court, William Whyte, C. P. R. general



North West Devotions

The Manitoba farmer offers up a fervent prayer for the Greenway Government when a C. P. R. train whizzes past

From a cartoon in *Grip* by J. W. Bengough

Courtesy of J. Bengough.

superintendent of Western Lines, accompanied by two magistrates and another batch of special constables, ditched a locomotive at the chief crossing point, and directed the defence from a private car supported by two hundred and fifty employees housed in six colonist cars. A "diamond" inserted into the Canadian Pacific tracks by a Northern Pacific crew was promptly torn up and removed, and for nearly a fortnight a Canadian Pacific locomotive was driven slowly to and fro over the crossing. On the intervening Sunday a religious service was held along the track for the opposing forces. Meanwhile the local newspapers screamed in headlines, until the company decided that the farce had lasted long enough, and withdrew its men from "Fort Whyte" to their regular work.

As it happened, the Supreme Court gave its decision in favour of the Manitoba Government, and the Northern Pacific and Mani-

toba Railroad went merrily on getting subsidies for branch line construction.

Alexander Begg in his *History of the Northwest* writes:

"At the close of 1889 the Northern Pacific and Manitoba Railway Company had 266 miles of road in operation within the Province, but the great advantage of competition and cheapening of rates, promised by the company, scarcely fulfilled the hopes of those who had so longed for its advent. It was found that though the small section of country served by the system derived the benefit of rail communication, the country at large was not benefitted at all."

This opinion may well be capped by the comment of Oscar D. Skelton in his *Life and Letters of Sir Wilfrid Laurier*:

"The settler knew henceforth that his ills were due to nature and geography and not to Stephen or Macdonald."

Since the Northern Pacific failed to carry out an agreement to extend their Souris branch to the coal fields, the Province of Manitoba had to come back to the Canadian Pacific to make this connection in 1890.

Van Horne did not answer the personal abuse indulged in by Sir Henry Tyler, but at his first shareholders' meeting held on May 8, 1889, referred to the rival president's attacks on the company:

"Which clearly indicate that he lacks that first requisite of good neighbourhood, the faculty of minding his own business."

"At the last meeting of the Grand Trunk shareholders, only a few days ago, their President boasted of the successful interference of their officers in Canada with some of our recent legislation—unwarranted interference with legislation relating to our internal affairs and in no way concerning the Grand Trunk. . . . The Grand Trunk people say a great deal about the aggressiveness of the Canadian Pacific, about its extensions and acquisitions in Ontario, regardless of the fact that since the Canadian Pacific came into existence, the Grand Trunk has absorbed in that Province more than two miles of railway for every one made or acquired by the Canadian Pacific, aside from its main line."

"Had you stopped at the completion of your main line across the Continent, your enterprise would have come to ruin long ago,"

or at least it would have existed only as a sickly appendage of the Grand Trunk. Like a body without arms, it would have depended upon charity—upon the charity of a neighbour whose interest would be to starve it, but to-day you have neither the Grand Trunk nor any other Company to fear, and the monthly returns of net profits may be confidently depended upon to furnish a conclusive answer to all of the misrepresentations which have been so industriously showered upon us for the past eight years."



Sir William Whyte, Vice President, Western Lines of the C. P. R.

Bubbling over with vitality, Van Horne was never so happy as in a scrap. Stirred up by competing American Lines, the United States Senate appointed a Committee on Interstate Commerce to take evidence on reported rate-cutting by Canadian lines. Van Horne's evidence brightened a dull session with evidence such as:

The Chairman: "Take goods that are received on Canadian territory and sent down to St. Paul or Minneapolis or Kansas City; do you ever get goods consigned in that way?"

Mr. Van Horne: "From the west?"

The Chairman: "From the west."

Mr. Van Horne: "I do not think we have for a good while. We had a little fight out on the Pacific coast at one time, and we took freight for pretty much everywhere to show that we were around, but we do not do that for a living."

The Chairman: "I am informed that merchants at Omaha and Denver could get goods that come originally from the west cheaper over your line from the north than they could get them by the Union Pacific, for instance, coming straight through."

Mr. Van Horne: "I think they could once for about two weeks."

The Chairman: "Has that practice been entirely broken up?"

Mr. Van Horne: "It only lasted a little while. It was the result of a little row we had out on the Pacific Coast. I believe it started from attempts at poaching on our territory. We threw a stone through their plate-glass windows to remind them that it would not do."

STEEL OF EMPIRE

The Chairman: "What do you call your territory?"

Mr. Van Horne: "British Columbia. I will say this, that we did not quote a rate south of the international boundary on the Pacific Coast until our rates in British Columbia were broken by the transcontinental lines, and when we heard of that we sent agents down to Portland and other points, and made it just as interesting as we could for a little while.

"Our business from China and Japan has been taken almost wholly from the Suez Canal. There is more business done between San Francisco and Tacoma and China and Japan than before we opened. But the trade between China and Japan and Canada and the United States, via the Suez Canal, has fallen off 75 per cent since we opened. The business we do is not done at the expense of the American lines.

"The idea seems abroad, and has been thoroughly circulated in the newspapers on this side of the line, that the Canadian Pacific is a sort of pampered pet of the Dominion Government, and that it is in receipt of favors every day. The Canadian Pacific Company gets no assistance from the Dominion Government except to the extent of the ordinary compensation for carrying the mails just as the roads do here in this country, except that we do not get so much.

"Now, in regard to these steamship subsidies, only the Pacific steamship subsidies are to be given to the Canadian Pacific Railway Company. These subsidies are not given by the Dominion Government, but by the Imperial Government, and they have no relation whatever to any competition with United States lines, and there is no thought of such a thing in Canada.

"The relations between the Canadian Pacific Railway Company and the Dominion Government are no closer than those between the Pennsylvania Railroad Company and the government at Washington—not so close really. In fact, there has been a coolness between the Canadian Pacific Company and the Dominion Government for a number of years back."

The coolness between Macdonald's government and the Canadian Pacific started with complaints of the company as to the delay of the government in allotting the sections of land required under the charter, disputes as to townsites and timber limits, and in particular a claim that the government construction of the line through the Fraser Canyon was not up to the specifications of the contract.

The Canadian Pacific had also been led to believe that it would be allowed running rights over the Intercolonial to Halifax, and when that belief was dissipated, Stephen intimated that he had been tricked into building the short line to Saint John so as to placate the New Brunswickers, who accused Ottawa of favouring Halifax as against their own winter port. Here, for instance, is his letter of September 11, 1889, written to Sir John:

"You say nothing in your note of 9th about the question between the I. C. R. and the C. P. R. which if anything, is a still more pressing matter. If you have resolved on keeping the C. P. R. out of Halifax, I hope you will lose no time in saying so, and let Van Horne take such steps as may be open to him to avoid the daily loss which is now incurred by his fruitless efforts to do business in Halifax. On this question I have also exhausted myself, and have nothing more to say beyond telling you again how keenly I feel the treatment of the Government in this whole matter. How deeply I repent the confidence and credulity through which I was cajoled by Tupper and Pope to undertake the building of the Short Line. Anything you can possibly do now to facilitate the C. P. R. reaching Halifax, under the most favourable conditions, can only mitigate the injury to the C. P. R. Company for which I am, to a great extent, personally responsible, by its ever having had anything to do with the Short Line."

"I am oppressed by a dread that the friendly relations that have subsisted between the Government and the C. P. R. Company from the summer of 1880 down to a comparatively late day, will in some way collapse, and I am glad that I am going away. There is almost nothing I would not do to avert such a wretched family quarrel as that would be. But the unfairness and unfriendliness with which the Company have been treated in almost every matter that has come up for settlement, have made me, and not only me, but everyone connected with the Company, apparently lest some one should say they were doing it a favour, or giving it another 'Grab.'

"I am not conscious of ever having asked the Government to do anything for the Company that was not absolutely fair, right and reasonable, and I am not going to begin now to act on any other principle. The Company, so far as I know, wants nothing but fair dealing and prompt action, and that it shall not be treated 'unfriendly.'"—Letter in the Public Archives of Canada.

Macdonald's letters to Stephen were shorter now:

"I wish you would read Charles Reade's novel of 'Put Yourself in His Place.' I am sure if you were one of the ministry you would act as we are doing, but you, I fear, look only on matters from one point of view."—*Correspondence of Sir John Macdonald*, by Sir Joseph Pope, Oxford University Press.

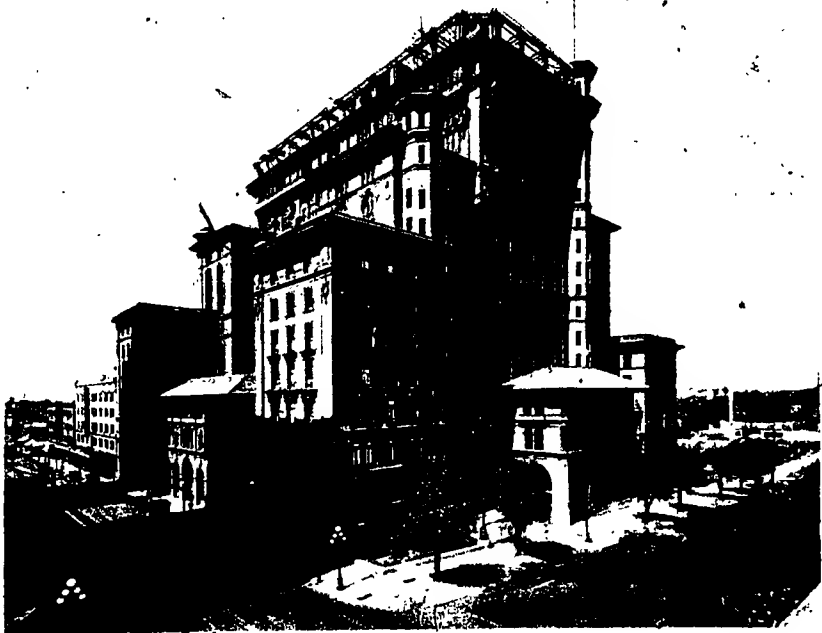
Stephen took the coolness of his former friend so much to heart that he began to think his continued identification with the Canadian Pacific was an embarrassment rather than an asset to the company and advised Van Horne that he intended to resign from the directorate. Van Horne wrote to Sir John Macdonald on January 13, 1890, a confidential letter urging him to use his influence to prevent this action, urging at the same time that the allotment of land under the grant should be speeded up as the continued delay was crippling the finances of the company. One of the results which he cited was—

... "the certainty of Sir George's retirement. He has half promised to remain as a director until our annual meeting in May, but he is determined to go out then, and we have to shift for ourselves financially even now. Aside from yourself nobody knows of his intention except Sir Donald, Judge Clark and myself, and it would be disastrous to have it get out before our steamship debentures are floated. It will be bad enough then. We have been straining every nerve to build up the credit of the Company and have had to take many desperate chances. . . . Sir George has in past, as you to some extent know, made many things possible for the Company by undertaking obligations and carrying burdens which it could not itself undertake or carry, and many of them have now to be provided for because he will carry them no longer. His withdrawal is full of danger to the Company, and it is just as full of danger to the Country, for it can hardly be disputed that the Canadian Pacific has for the past five or six years been the active commercial nerve of the Country, and paralysis of that nerve would mean widespread disaster. Sir George is in an unreasonable mood—has made himself believe that he has in some way sacrificed or betrayed the interests of the Company, and I don't know what all. He is all the more difficult to reason with because he thinks he is in imminent danger of physical collapse, and I very much doubt if anything will change his intention. But if there is anything you can do without injury to the Country, that will help us to hold him, I hope and pray that you will do it."

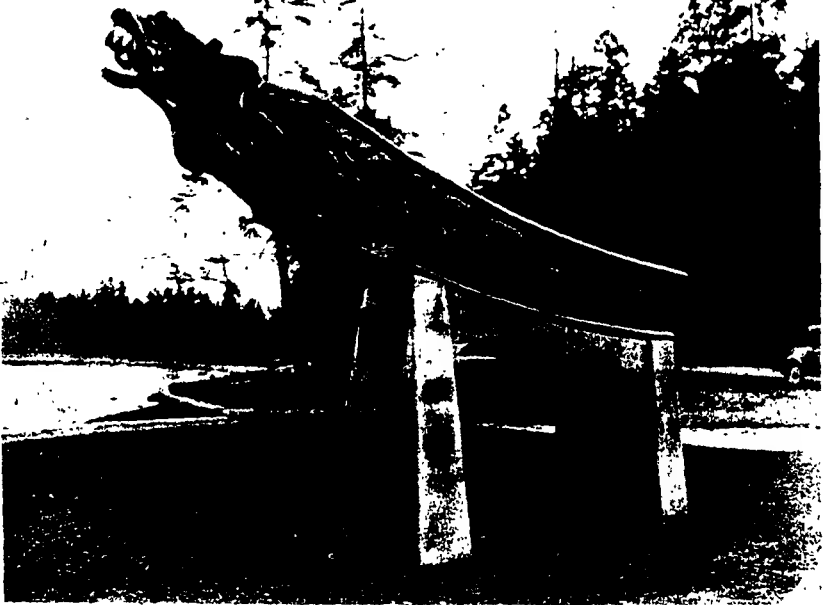


The Original Vancouver Hotel—1887.

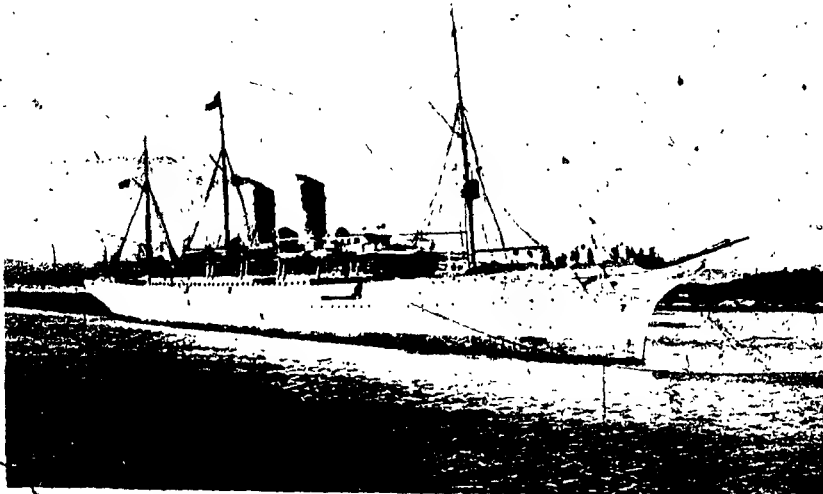
Photo by Notman.



The Present Vancouver Hotel—Completed 1915.



Figurehead on the First *Empress of Japan* Now in Stanley Park,
Vancouver.



The *Empress of India*.

ORIENT AND CROW'S NEST PASS

LORD SALISBURY'S government, through the postmaster general, gave a ten-year contract, on July 15, 1889, to the Canadian Pacific for the carriage of mails to Hong Kong, the mail subsidy being forty-five thousand pounds, supplemented by fifteen thousand pounds from the Dominion Government, and the stipulation being that the steamships for the Pacific Service should have a trial speed of seventeen and one-half knots to the measured mile, and sixteen knots on a sea trial of four hundred miles. The service was to be every four weeks, and the time allowed for the mails from Atlantic port to Hong Kong was six hundred and eighty-four hours in summer and seven hundred and thirty-two hours in winter, with penalties for lateness. There were special terms for the transport of troops and military supplies. Shaughnessy and Henry Beatty were sent to England to arrange for the construction of the vessels required, and the order for three twin-screw steamships, the *Empress of Japan*, *Empress of India*, and *Empress of China*, was placed with the Naval Construction and Armaments Company of Barrow, now known as Vickers, who built them under Admiralty supervision. On her trial run the *Empress of Japan* maintained an average speed of eighteen and ninety-one hundredths knots, and on her first run from Yokohama to Vancouver she broke all records with a log of nine days, nineteen hours and thirty-nine minutes. The *Empress of India* proved just as satisfactory, registering nineteen and three-fourths knots on her trial run with an average speed of seventeen and eighty-five hundredths knots on the four hundred miles. The yachtlike lines and white hulls of the trans-Pacific Empresses at once caught the popular fancy. At the annual meeting of shareholders held on May 13, 1891, Van Horne was able to announce that the *Empress of India* had completed her first run from Hong Kong

to Vancouver with full passenger list and cargo. Her initial voyage from England was organised as part of a round the world tour, the first occasion on which it was made possible for a passenger to complete the circuit of the globe by sea and land under one flag.

In November, 1891, Shaughnessy was sent to the Orient "to look into matters generally and to make such arrangements for conducting the company's business in China and Japan as he may find necessary," and a power of attorney was given him for that purpose. He remained there four months, and the effectiveness of his work was shown in the substantial profits which the trans-Pacific steamers earned all through the succeeding four years of severe depression on the American continent. It was the Oriental traffic that helped to save the Canadian Pacific from the disaster which sunk a hundred and fifty-six American railroads in the depression of 1893-95 and might well have overwhelmed a new railway through Canada depending for its existence on local business.

In order to add to the lure of the St. Lawrence route for the Atlantic passage, Bruce Price was engaged by Van Horne to design the Château Frontenac, at Quebec. Van Horne took particular pride in this hotel, and went out one day with Bruce Price on a little boat on the St. Lawrence River to convince himself that the elevation as seen from the river was sufficiently majestic. The Château was named after Count Frontenac, the redoubtable seventeenth-century governor of Quebec, who had sponsored the western expansion of the fur trade under LaSalle, the trail blazer for the overland route to Cathay. In the circular tower of the Château he had three suites of period furniture and decoration; one Chinese to signalize the Canadian Pacific service to the Orient; one "habitant" as tribute to the native French Canadian population of Quebec, and one Dutch, in recognition of the faith that the Amsterdam shareholders (represented by A. Boissevaine, a director) had shown in the early stages of the company.

Several fires have destroyed most of the original Bruce Price design, but this circular tower with its three suites has, fortunately, escaped and remains to bear witness to the original intention.

For the interior decoration of this and other Canadian Pacific hotels, Van Horne found in the wife of Hayter Reed, formerly Indian superintendent in the Northwest Territories, an assistant of exceptional taste, whose name is inseparably identified with the enterprise.

The Oriental traffic was not merely that of a through route between Europe, China and Japan. Much of it depended on the United States, which offered a rich market for silks and teas and provided a steady flow of travellers on business or pleasure bent. Lafcadio Hearn, who had made a winter journey through the Canadian Rockies over the Canadian Pacific route to Japan late in 1889, wrote articles and books on the country of his adoption which fascinated thousands of readers and increased the vogue for things Japanese, and indirectly for the Canadian Pacific route to the Orient.

In his article "A Winter Journey to Japan" published in *Harper's New Monthly Magazine* for November, 1890, which Van Horne described as "one of the most charming things I ever read," Lafcadio Hearn has this word picture of the Eastern approach to Kicking Horse Pass:

"The legions of the spruce, always preserving the same savage independence of poise, perpendicular as masts, now climb six thousand feet above us—climb perhaps even higher, until the hem of the perpetual snows mass over them and hide them from sight. Far above their loftiest outposts, peaks are lifting glaciers to the sun. But we are too close to these immensities to understand all their magnificence. At Stephen we reach the loftiest point of the route; we are nearly five thousand three hundred feet above the sea—but we are still walled up to heaven."

Then at a stretch of the road which suggests Leancoil, looking back at Mount Chancellor, he writes:

"Above all, one pyramidal peak, ghost-white as the Throne of the Vision of John, ever lifts itself higher behind us as we flee away. Again and again the road turns in vast spirals as we circle the hills: we thunder through long chasms and pass continually from sun to shadow and from shadow to sun; and other mountains interpose their white heads, their spruce-robed flanks and

shoulders, between us and that marvellous shape—ever heaping themselves in huger maze behind us. But still, over them all, shines the eternal white peace of that supremest peak,—growing ever taller to look down upon us,—to mock our feverish hurrying with the perpetual solemnity of its snowy rest. And watching it, there returns to me, with a sudden new strange pleasure, as of fancied revelation in slumber, the words of Job: 'He maketh peace in His high places.' "

It was partly to hold this American traffic to and from the Orient that the "Soo" Line (Minneapolis, St. Paul and Sault Ste. Marie Railroad) was extended northwest from Minneapolis to join the Canadian Pacific at Portal, where a branch connected with the main line. Control of the Soo Line had been secured by Stephen when it was faced with bankruptcy, and the Canadian Pacific was thus enabled to tap the traffic of the middle western states. The growing antagonism of J. J. Hill with his Great Northern Railroad made it necessary to find another connection between St. Paul and the western lines of the Canadian Pacific than the St. Paul, Minneapolis and Manitoba Railroad. Although both Stephen and Smith had large holdings in this road, Hill was the executive head and lost no opportunity of putting a spoke in Van Horne's wheel.

Writing to Stephen who was now living in England early in 1891, Van Horne had given a frank statement of his opinion of Hill:

"I have, as you know, ever since Mr. Hill's apparently favourable change of heart, looked with friendly eyes on his doings, believing him in the main to be sincere. But for a year back I have been rapidly losing faith. I have passed the stage of distrust and feel sure now that he has neither good will nor good intentions toward the Canadian Pacific, whatever his inside feelings toward yourself and Sir Donald may be. I was confidentially warned some months ago by a friend who is on rather intimate terms with Mr. Hill to look out for him—that his apparently friendly disposition towards the C. P. R. came from his need of the assistance of yourself and Sir Donald in carrying out his Montana and Pacific Coast plans and from nothing else, and that his game was to get you both in so far that you couldn't draw back or stop when the effect of his plans should become apparent. . . . It is all confirmed by

various bits of information that have come to me from time to time which, taken in connection with the hollowness of Mr. Hill's offers to assist us in St. Paul and Minneapolis with 'Soo' Line matters, would in themselves be sufficient to convince me that no good to the C. P. R. is to be expected from Mr. Hill. . . . I think I am justified in saying very positively that Mr. Hill's influence has been dead against us at Washington, and that it has been all the more dangerous because he followed his tactics of 1883, concealing his poison in friendly words. . . .

"There is no reason in the world why you and Sir Donald should not promote your personal interests in the Great Northern even if its success should work injury to the Canadian Pacific. You have cause to look more kindly on the St. Paul, Minneapolis and Manitoba than on the C. P. R., and nobody should complain if you do.

"I only hope you will not think me captious if I refuse to believe anything he tells me in the future, and if I shape my plans on the assumption that he is the most dangerous enemy of the Canadian Pacific.

"I will do the best I can to remain on friendly terms with him, but I can't trust him again."

Finding the local American traffic in grain and lumber insufficient to make the Great Northern pay, Hill ran branch lines towards Canada with a particular eye on the mineral deposits of southern British Columbia. In order to protect this territory for Canadian traffic, the Canadian Pacific purchased, charters and existing lines, sending out surveys for an alternative line across the Canadian Rockies through the Crow's Nest Pass. Van Horne's instructions to Randolph Bruce, engineer on these surveys, was to keep as close to the International Boundary as possible. Pointing to a map showing the Hill branch lines running up to the boundary he said "Look at these . . . like hungry hounds ready to jump in!"

The creeks tributary to the Kootenay River had attracted thousands of placer miners following on the discovery of gold in Wild Horse Creek by Joseph Ashley in 1863. Supplies were packed in from the south, until the demand for a route to the Kootenay mines through British territory from the Fraser River led Governor Seymour, of British Columbia, to commission Edgar Dewdney, in 1865, to build a trail from the Hope-Princeton trail to Wild Horse

Creek. The work was supervised mostly by Royal Engineers who had come out with Colonel Moody. "There were a good many Chinamen in the country in these early days," reports Dewdney, and with these and the white men whom he could secure he built a trail, paying for the labour in gold dust. Peter Fernie continued the trail westward from the Kootenay River through Crow's Nest Pass in 1879. Canadian Pacific exploratory surveys were sent to locate a line through this pass as early as 1881, but the Canadian Government, for military reasons, opposed any main line so near the International Boundary.

Coal rivalled gold as a magnet when the richness of the coal field in the Crow's Nest Pass was realised—the aggregate thickness of beds in the immediate vicinity of the line located being one hundred and twenty-five feet, while the coal was of a quality to make excellent coke. The maximum gradient of the location over this pass was only one foot in one hundred, or half the maximum on any other pass through the Rockies.



Mrs. Hayter Reed, a genius in hotel decoration

The Silver King mine was found at Nelson in 1887 by the brothers Hall, and within a year prospectors were swarming in the creeks tributary to Kootenay Lake. Lode gold was located on Red Mountain at Rossland, in the

Lily May mine, and next year saw the opening of three rich mines, War Eagle, Centre Star and Le Roi. The silver-lead-zinc ledges of the Slocan and East Kootenay were proved in 1891. Copper-gold was found in the boundary country and prospectors poured in thousands through southern British Columbia. Enormously rich deposits of lead-zinc were located in the North Star and Kimberley mines, near Fort Steele, in 1892. A network of lake and river steamships supplementing railway lines was organised by the Canadian Pacific, the smelter at Trail being acquired under the charter of the Columbia and Western Railway in 1895.

Truth's jibe at British Columbia as "a country not worth keeping" was controverted by the fat dividends paid by such mines as Le Roi, War Eagle, Slocan Star and the Payne. The mineral production of this province up to the year 1902 amounted to about one hundred and ninety million dollars and the coal produced in the same period totalled nearly nineteen million tons.

Another industry developed by the Canadian Pacific in Southern British Columbia in the early nineties was that of fruit growing; one million two hundred and fifty thousand dollars being spent on a branch line from Sicamous to the head of Okanagan Lake, providing shipping facilities for a territory which has since sent millions of boxes of apples to Europe.

It was fortunate for the Canadian Pacific that its executive had sought other sources of revenue than from the prairie settlements on its land grant in the Northwest, for the depression which swept North America like a cyclone in 1893 smashed the grain market and thereby the market for Eastern merchandise in the west. The crisis was accentuated for the Canadian Pacific by unprecedented floods in the Fraser Valley which put the Fraser Canyon route out of commission for forty-one days, at a cost to the railway of over five hundred thousand dollars. Salaries were reduced and then entirely suspended for four months, and only the loyalty to an undertaking which had come to be recognised as of national service enabled the railway to keep running. The dividend was passed for the second half-year, and the price of the stock was depreciated by heavy sales.

Henry Beatty retired in 1894, but retained connection with the company as a marine underwriter.

Stephen had been elevated to the peerage as Lord Mount Stephen in 1891. Two years later he resigned from the directorate of the Canadian Pacific, and in 1894 paid a farewell visit to Canada



Bruce Price, architect associated with early hotel construction

and the United States, partly in the endeavour to create more amicable relations between Hill and Van Horne. This was as easy as mixing vinegar and oil. Hill, full of brotherly love, would send Van Horne a picture for his gallery, and then issue instructions that no through tickets were to be sold over the Great Northern to passengers for Canadian Pacific steamers to the Orient. The Duluth and Winnipeg Railroad with its valuable iron territory, which Van Horne had virtually acquired for the Soo Line, was taken from him by the Great Northern.

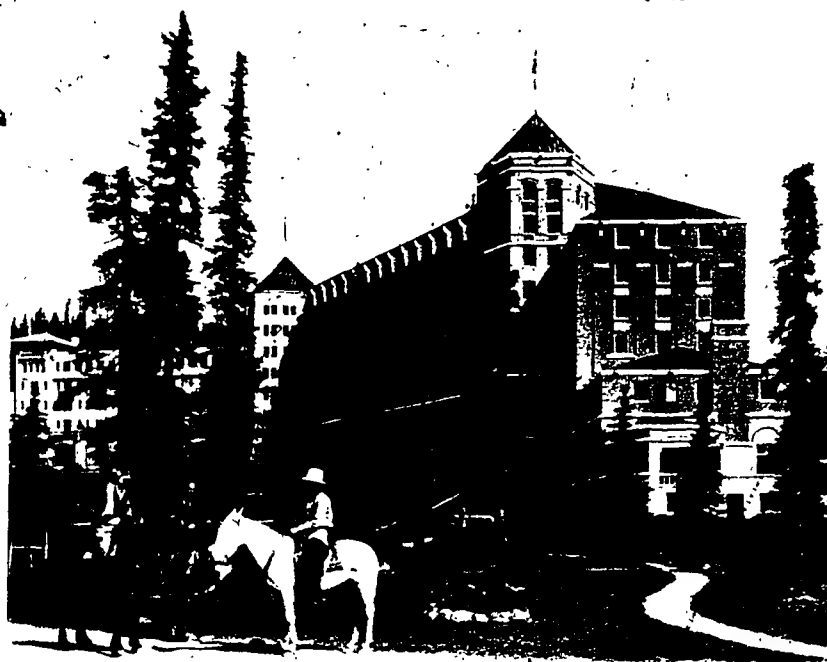
The drop in the market price of Canadian Pacific shares proved particularly embarrassing to Mount Stephen, who had induced members of the Royal Family to invest in the Canadian Pacific. His visit to North America left him a pessimist, and when he was asked what to do, his advice as a banker was to sell out. When, contrary to his anticipations, the stock began to recover in 1895, he felt he might be suspected of having bought in their stock at a low price in order to benefit by inside knowledge. Therefore, although it would have paid him to retain his holdings in a rising market, he sold out his interest in the company which his efforts had made possible. This quixotic action occasioned much criticism from those who did not understand his motives, and who attributed his action to loss of faith in Canada and its future.

Van Horne himself came in for criticism from some of his American friends for accepting in 1894 an honorary title of K. C. M. G. from Queen Victoria. He had been offered a Knighthood four years before by Sir John Macdonald, and every year since by succeeding governments, but at last he succumbed to pressure from Canadian and British associates. In the same year, Edwin A. Abbey accepted nomination as associate of the British Royal Academy, and Van Horne considered that in accepting this British recognition of services to an Imperial Highway, he was in the same box. Writing in regard to this title, he said:

"I should have been churlish to have refused it in this form, and I think it is something that most Americans would be proud of . . . indeed, that they should be proud of its having been given to an American as an American . . . I would say nothing about this, were it not used to prejudice the interests of the C. P. R."



The Original Chalet at Lake Louise.



Château Lake Louise.



Quebec Showing the Original Château Frontenac with Allan Line
S. S. *Parisian* in the St. Lawrence.



Manitoba Harvest Scene.

Photo by Notman.



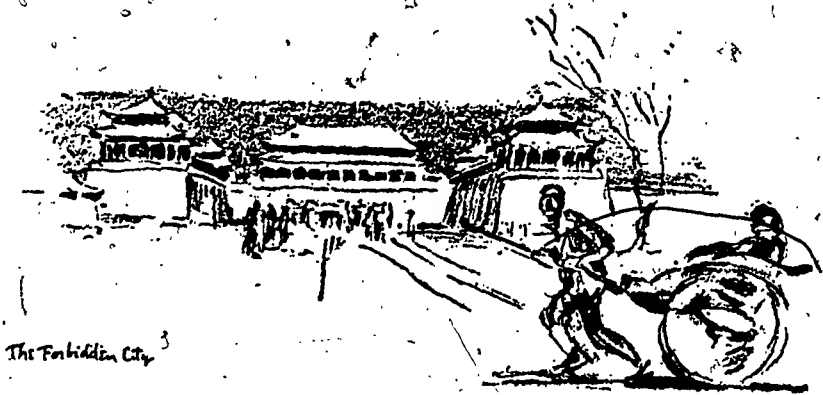
Trainload of Settlers from the Dakotas for the Canadian Prairies.

One effect of the acceptance of this title was to make Americans realise that there were opportunities in Canada for men as well as for money. The tendency had been to think that opportunity was to be found only in the United States, and ambitious Canadians crossed the line, thinking that only there could fortune be found. Van Horne and Shaughnessy and I. G. Ogden, the financial vice-president, showed that the tide could turn the other way, and by their example not only brought a great deal of ability from the United States to Canada, but made Canadians themselves realise that there might after all be worth while opportunities at home. The success of the Canadian Pacific drew the attention of investors to Canada, and money came all the more readily to industries and commercial enterprises. The political intercourse was also affected. Van Horne frequently found himself an unofficial interpreter of Ottawa at Washington and of Washington at Ottawa, preparing the way for a better mutual understanding. In some respects Van Horne became more Canadian than the Canadians. He was an outspoken antagonist of reciprocity, claiming that under reciprocity Canada would be swallowed by the United States. Yet his trend of thought was to be cosmopolitan rather than nationalistic, and so far as the Canadian Pacific was concerned, his efforts were rather to make it an international than an imperial highway. Yokohama was to him as vital as Hong Kong, even though it was not a British Colony, and he was as hospitable in his own home to Japanese as to British guests.

Nor did his title make him less democratic. The best introduction to his acquaintance was ability, not birth. He had a dislike of toadies, and practised various private tests of sincerity. One was by means of cigars. A widely advertised five cent cigar was named after him. Removing the band, he had some of these placed in the humidor, wheeled round to guests after a meal. "Ah! Sir William, what an aroma! Your taste in cigars is wonderful," would be someone's telltale comment. Another test lay in his picture gallery. One of his own paintings was labelled as by Theodore Rousseau, and thereby the flattery of pretentious critics who praised his taste in art was betrayed.

The right to build through the Crow's Nest Pass granted to the

Canadian Pacific by the Dominion Government under the charter of the British Columbia Southern Railway was qualified by an agreement signed in 1897 to reduce rates westbound on certain commodities from Fort William and points west of Fort William. This new route cost nineteen million dollars to build, less a subsidy of three million three hundred and eighty-one thousand dollars, and though the agreement was technically applicable only to the seventy-three hundred miles of existing railway, it was voluntarily applied by the Canadian Pacific to the mileage subsequently added, making freight rates throughout Canada substantially lower than those prevailing in the United States. Under this agreement the Canadian Pacific had the right to select six square miles of coal lands tributary to the Crow's Nest Line in British Columbia, although production was not to commence for ten years from December 19, 1898. In the meanwhile, after some preliminary exploration and drilling, the six sections were selected on the northwest rim of the main Crow's Nest Coal Basin near Hosmer, B. C.



A Sketch of Peiping by C. LeRoy Baldridge

LORD STRATHCONA, IMPERIALIST

SOMEWHAT in the background during these years, yet not without influence in the councils of the Company, stood Sir Donald Smith, sixty-five years old when the last spike was driven at Craigellachie, but still with nearly thirty years to run. On Sunday afternoons after Stephen left for England there came to his house in Montreal, Van Horne, R. B. Angus and Shaughnessy, all four comprising the executive committee, to discuss plans and policies with more intimacy than in the board room. Behind his suave and deprecating manner, Smith concealed shrewd diplomacy and an unwavering faith in the future of Canada and the Canadian Pacific Railway. He seemed to have been born under a lucky star, for his investments always turned out right. The Scots are proverbially close-fisted, yet none can be more generous when they choose, and both Stephen and Smith were princely in their benefactions. The wave of philanthropy which overtook Montreal in the latter decades of the nineteenth century may be credited in part at least to the teaching and influence of John Clark Murray, professor of mental and moral philosophy at McGill University, whose conception of what a public spirited citizen should do was grounded on Aristotle's *Nicomachean Ethics*, with its classic definition of liberality as the mean between stinginess and reckless extravagance. Clark Murray was an advocate, among other things, of higher education for women, and influenced Donald Smith to give an endowment of fifty thousand dollars to McGill for that purpose in the summer of 1884. A contribution of this nature given at a time when the members of the C. P. R. syndicate were supposed to be on the verge of bankruptcy did not escape the watchful eye of Sir John Macdonald at Ottawa, who drew the conclusion that there was still some juice to be squeezed out of these Montreal lemons.

Smith did not always follow Aristotle's precepts strictly to the letter, being liable at times to curious extravagancies. On one occasion he walked into a London auction room to outbid the British Museum and the Berlin Government for a collection of Japanese art, so that he could "make Van Horne mad." When this collection reached Montreal, there was a blue cup and saucer for which Van Horne offered him a large sum, but "Nothing doing!" said Smith, and locked the cabinet, chuckling at the thought that here he had a toehold on one who as a railroad operator was unbeatable.



Sir Wilfrid Laurier, Liberal Premier who fostered immigration.
From a drawing by Henri Julien.
Courtesy of the Montreal Star.

The Hudson's Bay Company paid him the tribute of electing him governor in 1889, and in the same year he became chancellor of McGill University, but the summit of his ambition was reached when he was appointed High Commissioner for Canada in London. That a political plum of this nature should go to a man of seventy-five brought no little criticism on the Conservative Government, but the appointment was confirmed a few months later by Sir Wilfrid Laurier, the new Liberal Premier, who had a genuine affection for the old veteran. That confidence was justified. What Canada needed most of all was population. The national policy of

Macdonald had helped the manufacturers of the eastern provinces, but as many Canadians were leaving their farms for the United States as immigrants came in from Europe. Of the half million additional heads added to the population of Canada between 1881 and 1891, one hundred and thirty thousand came to Manitoba and

the western prairies, and even then, according to a Winnipeg newspaper of the time "the trails from Manitoba to the States were worn bare and barren by the foot-prints of departing settlers." Such increase as remained was due mostly to railway construction and operation. The new high commissioner set to work on a campaign of propaganda for emigration such as Europe had never seen. To George Stephen he was the country cousin, but to the audiences whom he addressed all over the British Isles he was Moses offering to lead them to the promised land. In London itself his wealth and hospitality gave him a standing that Tupper could not obtain, and within a year he was elevated to the peerage as Lord Strathcona and Mount-royal. The House of Lords is to many self-made men a mausoleum, but to Strathcona it was a stepping stone to propaganda on a still greater scale.



Honourable Clifford Sifton,
Minister of the Interior in the
Laurier Ministry

In this he found an ally in the Honourable Clifford Sifton, whom Van Horne had recommended to Sir Wilfrid Laurier for the Ministry of the Interior. While Sifton by no means saw eye to eye with the Canadian Pacific on many things, Van Horne had a high respect for Sifton's organising ability and thought that a strong man was needed to remove the barnacles that were slowing down all action in the Ministry of the Interior. Sifton's own statement in regard to that department was that it was

"A department of delay, a department of circumlocution, a department in which people could not get business done, a department which tired men to death who undertook to get any business transacted with it."—From Clifford Sifton in *Relation to His Times*, by J. W. Dafoe, Macmillan Company.

Sifton knew the possibilities of the west, and between them Strathcona and Sifton started the flood of immigration which the

west so badly needed. In this, incidentally, he helped the Canadian Pacific to get the settlers for which it had been so long waiting. As farmers were wanted, and Great Britain was more an industrial than an agricultural country, they had their agents spread all through northern and central Europe, working in conjunction with the German lines which gladly pumped in emigrants from Austria, Hungary and Russia. The Allan Line helped with its organisation in Scandinavia. Sifton also had his immigration agents in the United States, bringing in trainloads of settlers, most of them originally from Europe, who had served their apprenticeship on farms in the middle west.

Strathcona, however, was more than a mere coloniser. Pent up behind those shaggy white eyebrows in "that massive head crowned by the glistening shows" was a brain seething with ideas of imperialism. When the Boer War broke out, and the British forces under Gatacre, Methuen and Buller suffered initial reverses, he electrified Great Britain by offering to finance a force of five hundred and forty picked Canadian marksmen who were good riders. This was in accordance with the Greek philosophy absorbed through John Clark Murray that a great-souled citizen should offer his country a trireme in time of war. Nothing could have appealed more to the British people than this gift of that splendid force known as Strathcona's Horse. There were other Canadian contingents in the Boer War, but none that went to South Africa with such éclat as this.

Colonel Samuel Steele, whom we last met as superintendent of the Northwest Mounted Police quelling riots in the construction camps of the Mountain Division of the Canadian Pacific Railway, was commissioned by Sir Frederick Borden, Minister of Militia, to raise and command this force of mounted riflemen, with permission to take any officers and men of the mounted police who had already volunteered for service in South Africa and could be spared from their duties. One squadron was to be raised in Manitoba, one in the Northwest Territory and the third in British Columbia. Six hundred Arizona stockmen volunteered to join, but while this offer was deeply appreciated as a gesture of good will from the United States, recruiting was confined to

Canadians. Recruiting was completed, the corps equipped and ready to move in a month's time, sailing on the Elder Dempster *S. S. Monterey* from Halifax with five hundred and ninety-nine horses.

Coming on the top of the preferential tariff with Great Britain and the denouncing of the treaty with Germany in 1897, this great gesture of good will gave Canada a new place in the British Empire.

The tide of prosperity came flowing back in rapid flood to Canada after the depression of 1893-95. With it came the traffic for the Canadian Pacific. Van Horne, whose pleasure in life was to build up a broken down property or create something where there had been nothing before, began to look elsewhere for some new creative activity now that settlers were coming into the western prairies and dividends were being earned. Shaughnessy had been groomed as his successor, but in order to reassure the shareholders that there would be no change in policy he took on the newly created position of chairman of the board of directors, on June 12, 1899, so that Shaughnessy could step up into the presidency.

The report covering the year 1899 showed earnings totalling \$29,230,038 and expenses amounting to \$16,999,872, leaving net earnings of \$12,230,166 with extraneous income of \$1,150,190, justifying the payment of 4% on preference stock amounting to close on \$27,000,000 and a return to 5% on the capital stock of \$65,000,000. Over \$218,000,000 had been spent on railway and equipment, the total trackage owned and controlled amounting to 9816 miles.

Van Horne's philosophy was that a railway must keep on growing, otherwise it dies or is eaten up by one that is growing. The progress shown since the annual report of 1889, in which he appeared for the first time as president, is indicated by the corresponding figures in which earnings totalled \$13,195,535 and expenses amounted to \$9,324,760, the cost of the road and equipment being placed at \$154,038,916, while the total mileage of all the Company's lines is recorded as being 5,074.9. The increase in trackage of 4742 miles does not adequately indicate the improvement which in-

cluded the replacement of wooden trestles by steel bridges over most of the system, and an immense improvement of the roadbed by strengthening embankments, reducing curves, laying heavier rails, etc., quite apart from the inauguration of a hotel system and a thousand other things. The record was one of which any retiring president might be proud.

環
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تيسل العالم

"Canadian Pacific Spans the World"—
as written in Arabic.

"Canadian
Pacific
Spans the
World"—as
the Chinese
write it

उज्जयिनी नदी पर पुल, ब्रिटेन।

"Canadian Pacific Spans the World"—
as a Hindu writes it

"Canadian
Pacific
Spans the
World"—as
the Japanese
write it

世界を跨ぐ



From a painting by G. Horne Russell, R.C.A.
Fraser River Canyon.



Photo by Edward Whymper.

Royal Train on the Big Hill, Kicking Horse Pass—1901.



Van Hörne's Painting of a Railroad Yard Inspired by Rudyard Kipling's
"007" in *The Day's Work*.

SHAUGHNESSY'S RÉGIME

FOR SOME years Van Horne retained an active part in the management of the company, continuing to be the mouth-piece for statements of policy; but with the beginning of the twentieth century Shaughnessy was recognised as the real leader of the enterprise. He enjoyed the confidence of the directors to an unusual extent.

Personal knowledge of the Orient as well as of Europe enabled him to realise that the true conception of the Canadian Pacific included the traverse of two oceans as well as a railway across the continent. Stephen had been inclined to think Van Horne something of a visionary, but Shaughnessy was the incarnation of cool common sense, and could be relied on to take no doubtful risks. Van Horne was a poker player; Shaughnessy preferred Napoleon's favourite card game of solitaire, on which he spent many an evening, thinking out incidentally the problems that came before him day after day in connection with the Canadian Pacific enterprise.

With a mind essentially logical, he was interested more in music than in the other arts—slipping quietly away at times to hear a symphony concert in Boston or New York. His public addresses were not frequent, but when he did speak or issue a public statement, every word told, for he was a master of concise expression. The "imperial" which adorned his chin was a God-send to the cartoonist, whose work was almost the only form of pictorial art that he thoroughly enjoyed—his favourite cartoon being one in which he was represented as a hedgehog with bristles. Less accessible to those of the writer's craft than Van Horne, he was inclined to delegate the conciliation of public opinion to the Canadian humorist, George Ham, whom Van Horne had recruited for Canadian Pacific service from a Winnipeg newspaper.

And yet Shaughnessy was kindheartedness itself to those who knew him. On one occasion a youthful employee who was an amateur pugilist staged a fight during the lunch hour in one of the rooms at the head office. David McNicoll, the vice-president, passed along the passage and hearing the commotion entered the room. Such a breach of order could not be overlooked, and the youth was forthwith dismissed. His mother, being a Catholic, appealed to the president, also a Catholic, pleading that her son was really a good boy and her only support. The youth was sent for and admitted that the fight was of his arranging. Shaughnessy's decision was:

"Well, my lad, you have only yourself to blame. It was a breach of good order in the office, and Mr. McNicoll was right in disciplining you. You are a clerk in his department, and I cannot ask him to take you back. The only thing I can do is to take you into my own office. Report to me tomorrow."

David McNicoll, one of the doughty Scots who were captains in the Canadian Pacific army, was immortalised by Stephen Leacock in his essay *Homer and Humbug* in which the Canadian humorist shows how easily epic poetry can be written:

"Then there came rushing, to the shock of war
Mr. McNicoll of the C. P. R."



David McNicoll, Traffic Vice-President

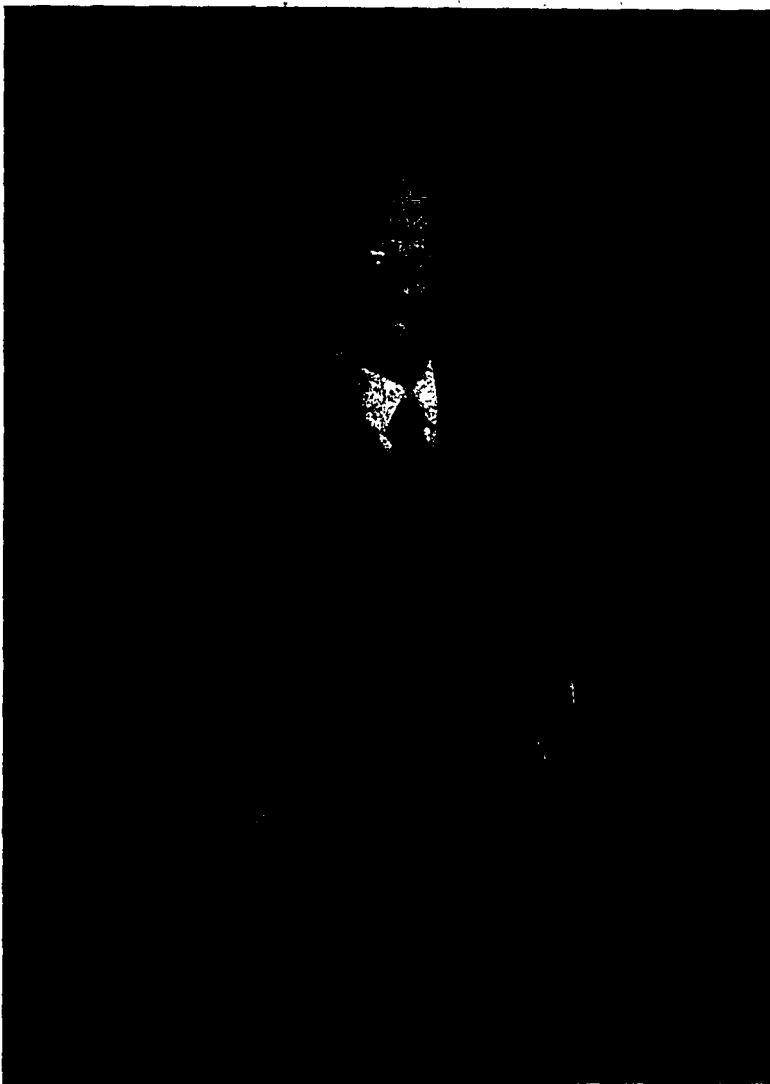
He wore suspenders and about his throat
High rose the collar of a sealskin coat.
He had on gaiters and he wore a tie,
He had his trousers buttoned good and high;

About his waist a woollen undervest
Bought from a sad-eyed farmer of the West.

(And every time he clips a sheep he sees
Some bloated plutocrat who ought to freeze)

Thus in the Stock Exchange he burst to view,

Leaped to the post, and shouted 'Ninety-two.'
—From *Behind the Beyond*,
Dodd, Mead and Company



From the painting by Emil Fuchs.

Baron Shaughnessy.

(T. G. Shaughnessy) (1853-1918).

Second Chairman and Third President of the Canadian Pacific.

During his frequent visits to Europe, Shaughnessy realised that the leaders in the financial and political world there were men of wide reaching interests not confined to their particular métier. Taking their cue, he kept himself posted on current books, with the result that he was unusually well informed on the talk of the day. London society is critical of its guests, but he had the entrée to its exclusive circles at a time when there were sets in Montreal and Ottawa that could not quite see this son of a Milwaukee police officer. The world being what it is, the Canadian Pacific did not suffer. Yet English society never turned his head.

If ever a level-headed leader of the Canadian Pacific enterprise was needed, it was now. There are dangers in success as well as defeat. Prosperity is only too apt to turn the head of those who enjoy it, to excite the cupidity of others who wish to share it, and to inflame the jealousy of those who had predicted failure. The traffic now pouring into the Canadian Pacific brought new obligations in the form of heavy demands for locomotives, rolling stock, yards, sidings, warehouses and stations, all involving new capital expenditures. Facilities had to be provided for moving and marketing the crops of the vast influx of settlers. The business developed at such expense had to be protected against mushroom competitors with charters handed out recklessly by various governments and the flanks of the long line guarded against inroads from over the border by Jim Hill. The financial stability of the company had to be preserved in an era of wild-cat speculation. The rush to the Yukon meant that coastal steamship services had to be provided to Skagway. Above all, Shaughnessy believed that the Canadian Pacific could not be considered complete until it had established its own trans-Atlantic Service on a scale and of a standard commensurate with its transcontinental service and steamships on the Pacific.

Of one thing Shaughnessy was convinced; namely, that the Canadian Pacific must keep clear of entangling political alliances. He had a warm admiration for the French Canadian race and a particular affection for Sir Wilfrid Laurier, the Liberal leader, who came to power in 1896, and Joseph Israel Tarte, his Minister of Public Works. Originally a Conservative and always a believer in

the national policy of Sir John Macdonald, Tarte was an ardent worker for the St. Lawrence route as the commercial highway to and from Europe. Extremely well informed, he was a lucid speaker and writer. While the Canadian Pacific undoubtedly owed its existence to a great Conservative statesman, much of the antagonism faced by the railway in its earlier days had been due to supposed affiliation with the Conservative party. Van Horne's open espousal of the anti-reciprocity campaign of 1891 had created the impression that the Canadian Pacific might on occasion become part of the Conservative machine. It seemed a wiser policy now for the officers of the company, to keep strictly to business.

Jim Hill was now an aggressive competitor for the Oriental trade. In 1896 he had entered into a contract with the Japanese Steamship Company, Nippon Yusen Kaisha, and in 1900 the Great Northern Steamship Company was formed with a capital of six million dollars, contracts being let for two large vessels, the *Minnesota* and the *Dakota*, to ply between Seattle and Yokohama and Hong Kong.

The gold rush to the Yukon and to various mining ventures on the north Pacific coast had increased traffic in that direction so much that in the year 1900 Shaughnessy acquired for over half a million dollars the steamers and other properties and franchises of the Canadian Pacific Navigation Company, a firm which had absorbed the coastal steamers of the Hudson's Bay Company in 1883. This became the nucleus of the present *Princess* fleet of steamers plying south to Seattle and north to Alaska. The *Tartar* and *Athenian*, originally built for and run on the Alaska Service, were found to be too large, and were transferred to the trans-Pacific trade.

In the eyes of the British politician, Russia loomed on the horizon as a threatening enemy requiring coastal defences in British Columbia and a military railway across Canada to carry supplies, corresponding to the military railway across Siberia which reached the Pacific coast in 1901. To Shaughnessy, Russia and particularly the newly acquired Russian Province of Manchuria was a country with which the Canadian Pacific might do business. He was encouraged in that belief by a friend from Milwaukee, also of Irish

extraction, in the person of Jeremiah Curtin, who worked for a while in St. Petersburg and translated Tolstoi, Sienkiewicz and other Slavic writers into English. His friendship is indicated in the dedication of his translation of Sienkiewicz's *Field of Glory*.

TO

SIR THOMAS G. SHAUGHNESSY,

PRESIDENT OF THE CANADIAN PACIFIC RAILROAD.

MY DEAR SIR THOMAS:

Railroads are to nations what arteries and veins are to each individual. Every part of a nation enjoys a common life with every other through railroads. Books bring remote ages to the present, and assemble the thoughts of mankind and of God in one divine company. I find great pleasure on railroads in the day and the night, at all seasons. You enjoy books with a keen and true judgment. Let me inscribe to you, therefore, this volume.

JEREMIAH CURTIN.

Dedication of *The Field of Glory*
Translation of a romance by Henry Sienkiewicz.

In the spring of 1901, Shaughnessy arranged to send William Whyte, from Winnipeg, over the Trans-Siberian Railway to Vladivostok, to look into the possibilities of an interchange of passenger and freight traffic with Canadian Pacific steamships at that port and the establishment of friendly commercial relations with the Imperial Russian Railway System. Some of these steamships had already traded with Vladivostok, and while Whyte's report did not justify the inauguration of a regular service to Siberia, contacts were made which resulted in occasional calls.

The situation in the Orient required close watching. The Boxer Rising of 1900 with the expressed object of ousting all foreigners from China, the siege and relief of the legations at Peking; then the war between Russia and Japan in 1904, resulting in the collapse of Russia in the Pacific and the recognition of Korea and South Manchuria as being within Japan's "sphere of influence"—these had all their effect on Pacific trade. China was beginning to



Joseph Israel Tarte, champion of
the St. Lawrence Route

awaken, and Japan was no longer a quaint little country of artistic curios. Lord Salisbury used to say that wars had at least one good result, namely that they taught people to study geography. These wars and disturbances certainly directed the attention of the Occidental world to the Orient.

In one respect the modernising of China brought an unanticipated contact between Canada and Cathay. The construction and opening of the Shansi Railway brought into the market the treasures of old tombs in which replicas of the households and palaces of the Mandarins for centuries in succession had been deposited in porcelain. For the George Crofts Collection one hundred and twenty-five tons of ceramics and bronzes came forward to Toronto in one single shipment, and this collection was later supplemented by large purchases from private sources and with provincial government funds. Today eighteen large galleries are now required to display the pageant of Chinese civilisation from the third millennium B.C. to the time of the Revolution. The collection in the Royal Ontario Museum includes one hundred and seventy-five of the Emperor's state robes. The visitor to Canada is thus provided with visible proof that the wealth of Cathay described by Marco Polo was no mere traveller's tale, and that the desire to participate in that wealth which expressed itself in the search for a short direct passage to the Orient and culminated in the new Northwest Passage of the Canadian Pacific was not inspired by a will-o'-the-wisp.

Following a visit to Australia, the Duke and Duchess of York (now King George V and Queen Mary) paid a visit to Canada on *H. M. S. Ophir* and crossed the continent both east and west over what was now recognised as the Imperial Highway of the Canadian Pacific. The royal train was specially built for the purpose, and consisted of nine cars—two named *Cornwall* (an observation car) and *York* for their Royal Highnesses, two named

Canada and *Australia* for the members of their suite, dining car *Sandringham* and sleeping car *India* for the attendants, sleeping car *South Africa* for the other guests, and two cars for baggage and train employees. Between Vancouver and Victoria the *Empress of India* was used to cross the Straits of Juan de Fuca. This trip demonstrated to those who follow the progress of princes that the barrier of mountains had been overcome, and that the Canadian Pacific was a transcontinental railway in first-class running order. Shaughnessy, as titular head of the railway, was knighted at Ottawa before the royal party started for the west. His telegram to his parents at Milwaukee was typical. It read:

"You may be gratified to know that His Majesty has conferred on me the honour of knighthood. One owes a great deal to a good father and mother."

In the matter of Atlantic Services, Shaughnessy refused to go the length of the exuberant optimism of Lord Strathcona, who commenced to preach the gospel of an All Red Line of twenty-five knot Atlantic liners making the trip to Halifax in three and one-half days.

The trans-Atlantic Service to Canada, according to Shaughnessy, did not require liners so costly to operate, but rather vessels that would pay for themselves with steerage business and good cargo capacity. Moses might have arranged a rapid and at the same time economical crossing of the Red Sea three thousand years ago, but the All Red Line presented a different problem. In any case, the settlers were not so impatient to get to the Promised Land that they could not spend a day or two longer on the passage. Moreover, those who travelled for pleasure would miss the charm of the St. Lawrence River route, and the romantic landscape of Quebec in summer, which more than compensated for the speedier transit of the new ocean racers plying to and from New York.

However, the traffic arrangements with existing Atlantic lines were not proving satisfactory, and the aggressive propaganda carried on by Lord Strathcona threatened to bring new and disturbing factors into the Canadian steamship business. On July 24, 1902, Shaughnessy announced that the Canadian Pacific had of-

ferred, subject to certain traffic arrangements, to establish a steamship service on the Atlantic not of twenty-five knot but of twenty knot passenger steamships between Liverpool and a St. Lawrence port during the summer months; Halifax to be the Canadian port during the winter months, supplemented by a fleet of modern freight steamers of ten thousand tons capacity serving Canadian ports, each sailing at a speed of twelve to thirteen knots per hour. Knowing by experience the delays that occur in any negotiations of this nature with either Imperial or Dominion Governments, he was sounding out the existing Canadian steamship lines to see at what price they would sell out. These lines were not averse to exchanging confidences with each other. Sir Alfred Jones, of the Elder Dempster Line, wrote on November twenty-fourth to Henry Allan, the Glasgow partner of the Allan Line:

"I think we should tell the C. P. R. that if they are determined to secure boats, we would sell ours. Why not do the same? I am off to London 2 P.M. tomorrow, and will let you know any news."

To this Henry Allan replied:

"I do not believe that the C. P. R. have any real intention of purchasing either your fleet or ours. The suggestion of a possible purchase, which they have made to each of us individually, is simply a move in the game, calculated to prevent us carrying out our proposed combination, and offering the Government the service which they desire. Shaughnessy has made similar overtures to us on several occasions, and it seems practically certain that he does not mean business."

"However, I take it from your letter that you mean to allow him to humbug you, and to cause you to delay taking any action to secure the Mail Service. In these circumstances we shall, of course, proceed to negotiate henceforward for our own account."

But Shaughnessy was not humbugging, and early next year the Elder Dempster fleet of 14 vessels was acquired for £1,417,500. These ships ranged from 5455 to 8852 gross tons, the smallest being the *Monterey*, which had transported Strathcona's Horse to South Africa. Interviewed in New York on February seventeen, Sir William Van Horne said:

"The Canadian Pacific has plenty of business for a line of its own across the ocean. Our object is to have our own ships to accommodate our own business, and not to run around dickerings for ships to carry our freight."

Sir Alfred Jones' comment was:

"The Canadian Pacific Railway has taken a tremendous step in the direction of Canadian trade development."

John Torrance, of the Dominion Line and the Morgan Syndicate, expressed the views of rival interests:

"This gives the Canadian Pacific the inside track over all other steamship companies and railways. This new arrangement will make Montreal a railway port, instead of a general port as at present."

But this was only the beginning of Shaughnessy's Atlantic campaign. When the Allans launched two new eleven thousand ton turbine ships, the *Victorian* and the *Virginian*, each with a guaranteed sea speed of seventeen knots, and got the Canadian mail contract for two years, the Canadian Pacific countered by giving a contract to the Fairfield Shipbuilding Company for two ships of fourteen thousand two hundred tons, the first *Empress of Britain* and the *Empress of Ireland*, and when the mail contract was renewed the subsidy of two hundred and twenty-five thousand dollars was shared between the two companies.

In 1902 a new method of financing was introduced by Shaughnessy, who found himself faced by a programme of enormous expenditures for both land and ocean services, and who desired to maintain the policy of avoiding bond issues with fixed charges. His method is best described in his own account, taken from the valedictory which he gave to the shareholders on his retiring from the Presidency in 1918. To meet the expenditure of three hundred and thirty-six million dollars in the years 1902-14—

"the Shareholders were offered and accepted \$195,000,000 of Common Stock, for which they paid \$262,100,000. Out of this,

\$33,750,000 of Canadian Pacific First Mortgage Bonds were paid off and retired, and \$26,200,000 was used to pay the cost of railway lines acquired or constructed and of additional steamships with reference to which no Bonds or Debentures were sold. The remaining amount, \$202,150,000 was supplemented by the sale of Preference Stock and Equipment Notes that brought in \$56,500,000, making a total of \$258,650,000 to apply against expenditures of \$336,300,000. The further sum necessary, namely, \$77,650,000, was provided from the surplus revenue of the Company. Thus the Company was put in a position to deal efficiently and economically with a large and ever-increasing volume of traffic, and at the same time was able to reduce its bonded debt, the requisite money being provided by the owners of the property who were willing to venture their money on Canada's present and future stability."

The development of coal and other mineral resources along the line of the railway was prosecuted, not only because it provided immediate traffic, but also because it helped to make the country more self-sustaining. Coal lands were acquired and explored on the Elk River in 1902 and in the same year work was commenced on the anthracite coal areas in the Cascade Basin near Banff. Nearly two million dollars was invested in this mine and camp, and eventually over four million tons of coal and briquette were mined and manufactured. The Hosmer mine commenced producing in 1908 and cost two million five hundred thousand dollars to produce slightly over one million tons of coal and coke before it was closed down in 1914.

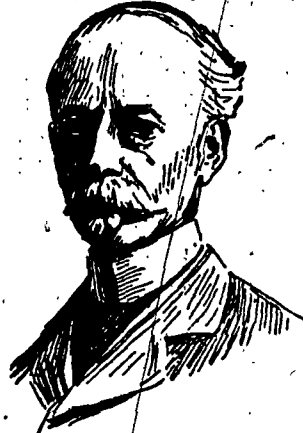
The land grant on which the Canadian Pacific was supposed to grow fat had in fact been doled out year by year in small instalments, and often was difficult to sell except to settlers who had prospered on adjoining free homesteads and wished to extend their farms. Even though 6,793,014 acres of the original land grant had been turned back by the company to the government to clear off a loan, there was still more than 3,000,000 acres not yet located or assigned by the government in 1903, twenty-two years after the granting of the charter. On July twenty-fourth of that year, Shaughnessy agreed with Sifton to accept as part of this claim a solid block of semi-arid land in southern Alberta



From a watercolor by Marius Hubert-Robert.

Château Frontenac, Quebec.

which could only be adapted for settlement by an extensive irrigation system. Taking over the government irrigation engineer, Colonel J. S. Dennis, he inaugurated the largest irrigation project on the continent, involving ultimately the spending of approximately \$39,000,000. Under Colonel Dennis' direction a policy of systematic development and colonisation of the lands tributary to the company was planned which has had no parallel in railway history and to which the successful settlement of Canada is in no small measure due. As agriculture under irrigation was something new to western Canada, demonstration farms were planted with competent instructors, mixed farming was encouraged and good strains of livestock were imported for distribution to settlers.



Arthur Piers, manager of Steamship Lines for the Canadian Pacific

Riding on a tide of prosperity, Sir Wilfrid Laurier lent a ready ear to the suggestion that there was room in Canada for two if not three transcontinental railways, and that this time a Liberal and not the Conservative Government should be the fairy god-mother. The Grand Trunk saw the Canadian Pacific far outstripping it in the race, and Charles M. Hays, its new American manager, submitted a proposal to extend that system west from North Bay to a terminus on the Pacific near the mouth of the Skeena River or at Bute Inlet. The surveys made from Dan to Beersheba by Sandford Fleming were available to any railway map-maker, and there was everything in sight in Northern British Columbia except the traffic. Shaughnessy pointed out that this meant two lines of railway through the unprofitable country north of Lake Superior and advised an agreement with the Canadian Pacific for running rights between North Bay and the head of Lake Superior, together with the acquisition by the Grand Trunk of the prairie lines of the Canadian Northern, a system recently pieced together by two enterprising contractors, Mackenzie and

Mann, who took over the Northern Pacific and Manitoba Railroad and added to it lines of light construction which they built under Provincial Government guarantees. Shaughnessy contended that while there might be room for one additional local system on the prairies, there was not room for two in Northern Ontario or British Columbia. But good times had gone to the government's head, and Laurier (who depended for his life on the Quebec vote) was persuaded into thinking that harvests from the golden prairies over the Grand Trunk Pacific west of Winnipeg would feed not only the old Grand Trunk but also a new National Transcontinental from Winnipeg through Northern Quebec to link up with the old Intercolonial at Moncton. An agreement with the Grand Trunk to cover both the Grand Trunk Pacific and the National Transcontinental was signed on July 29, 1903, under which the government guaranteed principal and interest of bonds to finance construction of the Grand Trunk Pacific, and the Grand Trunk Pacific undertook to operate the National Transcontinental for fifty years, of which the first seven would be rent free. The chief harvest came to the railway contractors, the line from Winnipeg to Moncton costing \$159,881,197, of nearly a hundred million dollars more than the estimate. The Grand Trunk Pacific, which by that time had a funded debt of over \$200,000,000 refused to lease the National Transcontinental when completed.

The southern flank of the Canadian Pacific had to be protected against the incursions of Jim Hill and his hungry dogs, which seemed to have a particular appetite for coal and other minerals. His Great Northern branch lines tapped Canadian territory at twelve points and were within striking distance at nine others. In British Columbia, Hill found an ally in Joseph Martin, formerly attorney general of Manitoba under Premier Greenway, and now a political thorn in the flesh at Victoria. In 1905 Hill made an oratorical tour through Canada, culminating in the announcement at a luncheon in Winnipeg on May fifteenth that within a year from the coming autumn construction would be completed on a Hill line from the Crow's Nest to the Pacific coast. Shaughnessy thought Hill less dangerous now that he was out in the open, even though he was now backed by the wealth of the House of



From the painting by Charles Dixon.

Empress of Japan.

Morgan, and strengthened the Canadian Pacific's position in Southern British Columbia by purchase and construction which covered every valley, and virtually crowded Hill out.

The flood of settlement pouring into western Canada as a result of the immigration campaigns of Strathcona and Sifton meant branch line construction for which new stock was issued on terms advantageous to the country, to the company and to the individual shareholders. In this connection Van Horne stated to an interviewer from the *Montreal Herald* on February 10, 1906:

"It has always been the policy of the Company to build not only up to the requirements but ahead of the present needs of the population. We build each year from 500 to 1000 miles of new track in order to keep pace with the expansion of settlement. These new lines do not mean profitable investments at the start, but in time come to give a return to the capital."

This building programme, however, added to the growing problem of equipment and rolling stock. The railways of the United States were also enjoying prosperity, and in both Canada and the United States labour and lumber were at a premium. Speaking to a representative of the *Winnipeg Free Press* on December first, of this year, when there was an acute car shortage, Shaughnessy said:

"If I could buy ten million dollars worth of cars and locomotives for the business of the Company at the present time, I would buy them and undertake to provide the money in cash. There are no cars or locomotives to be bought—We ourselves in our own shops are building and adding a new train to the available force of cars every day."

As the existing hotel facilities in Winnipeg were inadequate, the Royal Alexandra Hotel was added to the Canadian Pacific hotel system this year. The severe winter of 1906 resulted in a fuel shortage on the prairies, accentuated by a miners' strike at Lethbridge which reduced the supply of lignite used in stoves. The C. P. R. came to the rescue by letting settlers use Pennsylvania coal shipped for its own reserves.

The subject of an All Red Line was brought to a head at the Imperial Conference of 1907. Lord Strathcona urged Sir Wilfrid Laurier to come with the programme of a company to operate twenty-five knot steamships on the Atlantic, to which he offered to subscribe half a million dollars. Laurier sent Sifton to London, in advance of his own coming, to work out the details of a practical proposal. The plan as eventually submitted to the Imperial Conference was for four twenty-four knot ships of twenty thousand tons for the Atlantic, and five eighteen knot ships of eighty-nine hundred tons for the Pacific to Australia, the subsidy required being one million pounds, or five million dollars, of which Great Britain was to contribute half; Canada three hundred and twenty-five thousand pounds; New Zealand and Fiji one hundred thousand pounds, and Australia seventy-five thousand pounds.

The answers of the British Colonial Secretary and the other Colonial Premiers were polite but noncommittal. The four ships required for the Atlantic alone would cost about thirty million dollars, and this would have to come from British financial houses, none of which were showing particular enthusiasm. A powerful section of the Liberal party, then in power in Great Britain, was opposed to subsidies.

Shaughnessy, when asked to give evidence on the subject to an Imperial Cabinet Committee, was frank in stating his opinion that existing conditions did not warrant such expenditure, although these ships would undoubtedly have brought business to the Canadian Pacific Railway, whoever should own and operate them. At that time marine engineering had not developed the recent methods of propulsion which have greatly reduced the cost of vessels driven at high speed, otherwise he might have been less antagonistic. In order to improve the railway service to Halifax, he was willing to make that port a winter terminus for the Canadian Pacific if running rights were provided over the Intercolonial Railway between Saint John and Halifax for which he offered one hundred and thirty-five thousand dollars a year for fifty years. At the same time he advised Sir Wilfrid Laurier that the Canadian Pacific was sufficiently interested in the improve-

ment of ocean services on the Atlantic and between Canada and Australasia to subscribe forty-five per cent of the capital required for an All Red Line established on a sound economic basis.

When the speechmakers returned to the various parts of the British Empire that they represented at this conference, their interest in the All Red Line cooled, and it found its place upon the shelf. On his arrival from England on June first, Shaughnessy stated his opinion to a representative of the Canadian press that liners beyond a certain speed were "commercially impossible" upon the North Atlantic at certain times in the year—

"You can't utilize great speed on this route. I believe in a boat of about 21 knots, one that will come from Liverpool to Quebec or Montreal as quickly as a 25 knot can go from Liverpool to New York. Then the cost of these big, fast boats is enormous. We bought 15 boats from the Elder-Dempster Company, and built two *Empresses* at \$6,000,000 less than it cost to build the *Lusitania* and the *Mauretania*. Then the expense of operating these big boats is very great. We are ready to improve our Atlantic service by adding faster boats just as soon as the necessity arises."

Shaughnessy's coolness to the All Red Line was not due to his Irish-American origin. His residence in Canada and his frequent visits to London had made him more British and Imperialistic in spirit than many a Britisher. One of the shrewdest statements made by that astute judge of human nature, Joseph Chamberlain, during a debate on the immigration problem in England was that "Your naturalised alien is your most ardent patriot." What Shaughnessy felt was that it was not sound patriotism to ask for extravagant subsidies and encourage British capital to invest in ocean services which were likely to end in the hands of a receiver. The era of prosperity into which Canada was apparently entering had already resulted in programmes involving dangerously heavy obligations on both Federal and Provincial Governments, and this was no time to embark on further grandiose schemes in the name of imperialism.

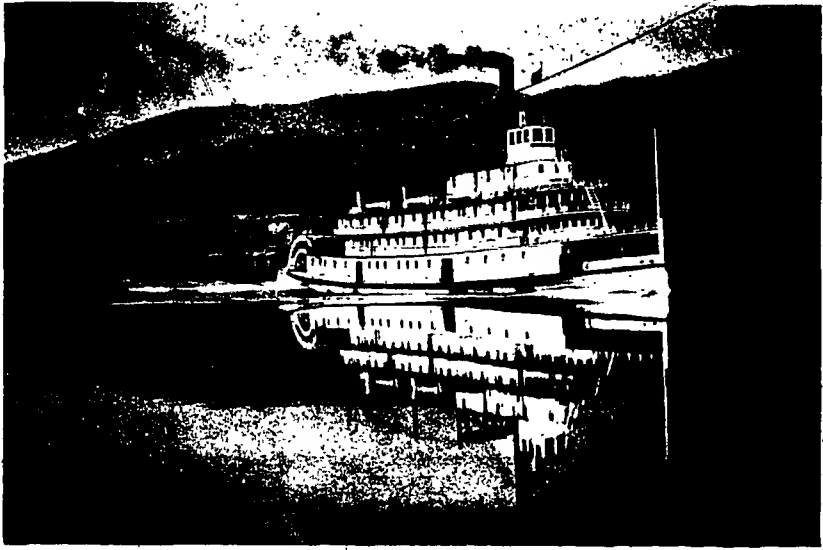
Shaughnessy's criticism of the All Red Line does not seem to

have been taken amiss, for in this year he was advanced to a higher order of Knighthood with the letters K. C. V. O. after his name.

One of the problems which came to a head in 1907 was the Japanese immigration into British Columbia. This had commenced in 1896, and by 1901, according to the census returns, there were 4578 Japanese resident in the province. Some had been taken on as section hands on the railway by authority of Van Horne who had an artistic sympathy for the race, and himself employed a Japanese valet. The numbers dropped almost to nothing during the Russo-Japanese War of 1904-05, but with Canada's adherence to the Anglo-Japanese commercial treaty in January 1907, the tide returned and 7600 entered the province. Riots occurred in Vancouver in September, but the matter was amicably arranged under a gentleman's agreement under which the Japanese Government undertook to limit the number of passports for entry into Canada. While absolute exclusion might have militated heavily against Canadian trade with Japan, this "face-pidgin" saved the situation—the Japanese recognising that Canada had its own labour problems, while at the same time they resented the suggestion that they should be considered an inferior race.



'Manchu Lady
From a sketch by C. LeRoy
Baldrige



Kootenay Lake Steamship *S.S. Sicamous*.



Crow's Nest Pass.



The Great Smelter at Trail, B. C.



Mine Crew Entering Sullivan Mine, East Kootenay, B. C., for a Two Mile Underground Ride.

EXTENSIONS AND COLONISATION

CONSOLIDATION, strengthening and improvement of facilities and equipment marked the programme of the seven years preceding the Great War, Shaughnessy's policy being to protect with adequate freight and passenger service the territory and business on which new rival interests were threatening to encroach. This involved heavy expenditure on interlocking branch lines, double tracking and improvement of the main line, enormous additions to motive power, rolling stock, shops, station facilities, etc. In these years the records show the addition of 952 locomotives, 47,685 freight cars and 1304 passenger cars, of which 278 were sleeping and dining cars. In the single year of 1913 Shaughnessy stated to the *Montreal Star* that the appropriations for expenditures in that year totalled \$100,000,000, or as much as the original nominal capital of the company. In 1908, the twenty-knot *Princess Charlotte* was added to the British Columbia Coastal Service, and the mud flats of the harbour of Victoria, capital of British Columbia, were filled in so as to provide a suitable site for the imposing new Empress Hotel. In the following year the handicap of uneconomical gradients on the main line through the mountain passes were tackled by the boring of spiral tunnels on the Big Hill of the Kicking Horse, up which the Prince of Wales' special train had had to be drawn by five locomotives. This involved the excavation of 750,000 cubic yards of virgin rock and employed 1000 men for two years. The main line now cut a figure of eight, of which the higher loop circled into the interior of Cathedral Mountain and the lower into Mount Ogden. This was followed by the boring of a 26,400 foot double track tunnel through the Selkirk Mountains so as to avoid the avalanches on Rogers Pass. This lowered the grade by 540 feet, and reduced the train distance to Vancouver by 4½ miles.

The steady increase in tourist travel and business to the Orient from the United States led to the acquisition, in 1909, of the Wisconsin Central by the subsidiary "Soo" Line, which thus gave the Canadian Pacific a western entrance into Chicago. In September of this year the dominant position in the Canadian Service on the Atlantic was secured by the purchase of the Canadian interests of the Allan Line. The public transfer of control was not made till 1915, thus making possible the gradual absorption of personnel, without inflicting the hardships to individual employees which so often follow on a merger.

In 1910, Sir William Van Horne retired from the chairmanship; Shaughnessy assuming the double position of chairman and president. Van Horne was now paying more attention to his railway interests in Cuba, which he shared with General Dodge of the Union Pacific, and in other industrial enterprises in Canada and elsewhere. He issued no valedictory to the shareholders, as he remained on the executive committee. In an interview in London shortly before this retirement he summed up his career with characteristic humour:

"I have never worked, and I never intend to. I don't demand the right to work—because, like those who do, I hate it. Building the C. P. R. was fun—absolute enjoyment. The interest fiends were on our track—we knew that if they caught us, they'd kill us. It was a fine race, and we beat them by five years. However, I disclaim emphatically the credit of the C. P. R. I had nothing to do with its conception. I came to it some months after the building was actually started, and I only spent the money others found. And I am ashamed that I did not do it better, now that I look over it all.

"The political conception of the C. P. R. was Sir John Macdonald's—the commercial conception was Lord Mount Stephen's. The financing of the Canadian Pacific was the greatest feat, I think, in that way that the world has ever seen. It was carried out by Lord Mount Stephen, who had throughout the powerful and unselfish support of Lord Strathcona.

"I am now sitting on the fence, enjoying the sight of watching other men work. But the C. P. R. is in most excellent hands, and no one need worry about that. No railway in the world has at its head a more capable and devoted man than Sir Thomas Shaughnessy."

Since the government refused access to Halifax over the half idle tracks of the Intercolonial, the Canadian Pacific secured entry in another way by purchase of the Dominion Atlantic Railway, which served the west coast of Nova Scotia and provided a harbour at Digby for a service across the Bay of Fundy to Saint John, New Brunswick. This gave the Canadian Pacific in its right of way the willows and the well of Longfellow's *Evangeline*, and it was not long before a statue of *Evangeline* herself, designed by Philippe Hébert, an outstanding French Canadian sculptor, was erected by the railway, in tribute to this romantic child of a poet's fancy.

The year 1911 was a political year in which Laurier fought and lost the battle of reciprocity with the United States. Van Horne was no longer the mouth-piece of the company and felt at liberty to do what he liked. One of his sayings on the subject was "There are six and one-half per cent of fools in Canada, of which one per cent are for Reciprocity." Shaughnessy, on the other hand, was determined that the railway itself should be clear of any political entanglements, and passed along the word that every officer and employee must consider himself free to vote as he chose. This was appreciated by Laurier who, although he was defeated, recognised that this time at any rate he could not blame any railway machine.

In 1912 the Windsor Station terminal and headquarters of the company were reconstructed and now ranked as the largest in the British Empire. Competition of Japanese steamship lines on the Pacific was met by the construction of two new large fast



Statue of *Evangeline* at Grand Pré Designed by Philippe Hébert
—Completed by Henri Hébert

Empresses, the *Empress of Russia* and the *Empress of Asia*. On her maiden trip from Yokohama to Vancouver, the *Empress of Russia* carried one thousand passengers. The *Empress of Asia* broke all records by crossing the Pacific eastbound in eight days, sixteen hours and thirty-one minutes. Arrangements were made this year with the Trans-Siberian Railway for round-the-world tickets over the two systems, a convenience which would have been appreciated by the hero of Jules Verne's celebrated romance.

The contractors who were working on the huge irrigation development in Southern Alberta claimed that the Canadian Pacific engineers had driven too hard a bargain and that they were losing money on the work. R. B. Bennett, who became premier of Canada in 1931, was at that time solicitor for the company at Calgary and received instructions that he was to meet their claims for an adjustment of prices. Shaughnessy himself was a keen buyer but he wrote to Bennett:

"It is the policy of this Company that no contractor should lose money."—Quoted by the Rt. Hon. R. B. Bennett in a radio broadcast—January 23, 1935.



At Bay



Riding for a Fall

Cartoons of Shaughnessy in the *Toronto World* by Sam Hunter.

The Alberta Railway and Irrigation Company was taken over in 1912 and with it the operation of the Galt mines at Lethbridge. These mines produced household fuel greatly in demand among settlers, and had been in operation since 1883.

In this year was launched the Ready-Made Farm Scheme for British colonists, originally suggested by George Stephen in 1881 to Gladstone's secretary for Ireland, and now carried out as a patriotic gesture without loan or subsidy by Sir Thomas Shaughnessy.



Lord Shaughnessy
From the bust by
Philippe Hébert.

Immigration into Canada was reaching its peak, the number of newcomers in this year being 354,237, of whom 138,121 were British, as compared with 30,996 in 1892, of whom only 8,360 were British. The Canadian propaganda for immigration was being closely watched in Europe, and resulted in a repercussion of which the Canadian Pacific was made the victim.

The Austrian State Railways, like most government-operated enterprises of the kind, was run at a loss, and looked about for new sources of revenue. One of these was the tourist industry and another was the development of the port of Trieste; which was being starved in favour of the North Atlantic ports of Hamburg, Rotterdam and Antwerp. These ports were served largely by German steamship lines operating in friendly connection with German State Railways. Asked for advice, the Vienna agent of the Canadian Pacific, a naturalised American, suggested that observation cars similar to those operated between Montreal and Vancouver should be attached to the fast express trains through the Austrian Tyrol. A delegation visited Canada, and, as a result, the Canadian Pacific undertook to supply the designs for and operate observation cars on the tourist routes of the Austrian State Railways on a percentage basis, and also to put a service of two steamers into the port of Trieste.

At once the Germans, who looked on Austria as their private

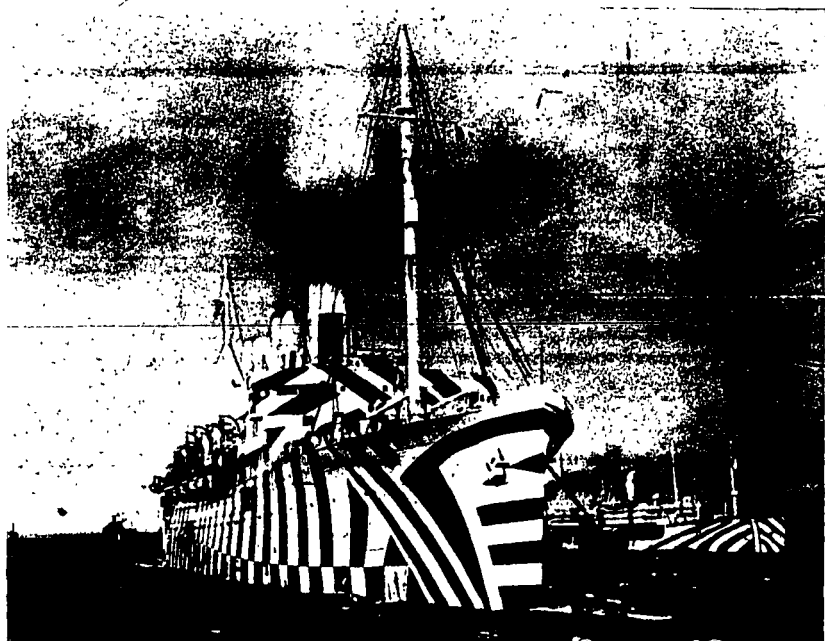
milch cow, started to make trouble, claiming that this was merely an indirect method of advertising for European colonists. No less than eleven new newspapers were started in Austria to campaign against the Canadian *Menschenfresser*, or man-eaters, who were out to devour the poor Austrian peasants. Herr Ballin, the redoubtable German steamship magnate, directed the campaign in Vienna by long-distance telephone from Berlin, and not long after the two services were started, the Canadian Pacific offices in Vienna were closed, and the staff put into prison. The British Ambassador intervened, and the staff was released on bail.

The trial that followed had all the elements of a Gilbert and Sullivan comedy, though without the music. The Canadian Pacific was accused of having enticed six hundred thousand Austrians of military age to emigrate to Canada in 1911, the inducement being free land with two buffalo to work the farm. As the total number of Austrians carried by the Canadian Pacific in this year was thirteen thousand, there was obviously some discrepancy. It transpired that the prosecution had bought six hundred thousand names from an agency that sold these by the volume. Three books were selected and examined, the names proving to be

1. those of the population of a district, all of whom had died 100 years before
2. names of children in a district who had died before attaining their first birthday
3. names of inhabitants of a district who were still living peaceably at home.

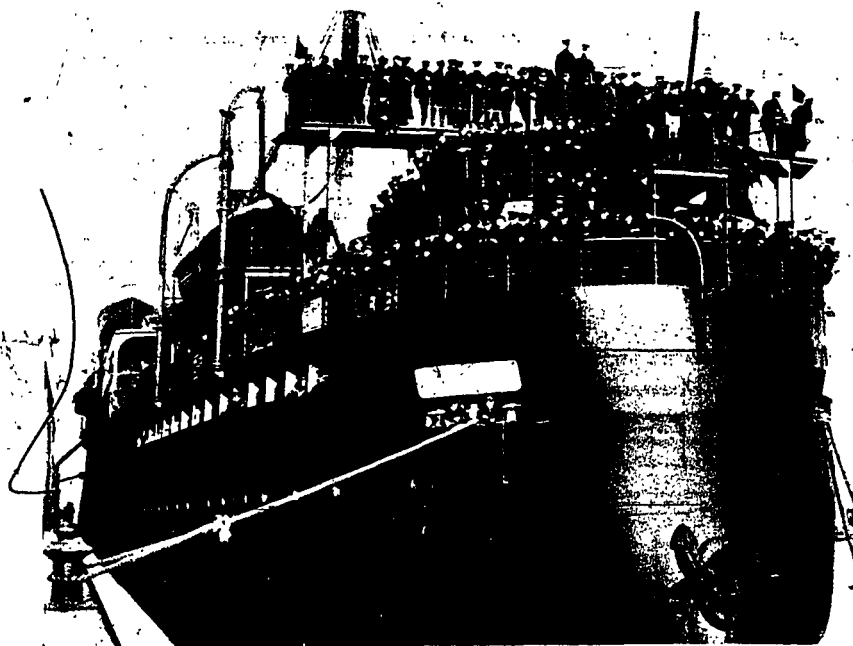
The case dragged on until it was conveniently closed soon after the outbreak of war.

On January 21, 1914, the ninety-four-year-old Lord Strathcona passed away in London. He died in harness, following the advice of Sir Andrew Clark, the King's physician, who said that to stop work would be fatal. In recognition of his services to the British Empire, the government offered burial in Westminster Abbey, but as Strathcona's expressed wish had been to be buried with his wife in Highgate, this was changed to a state memorial service.

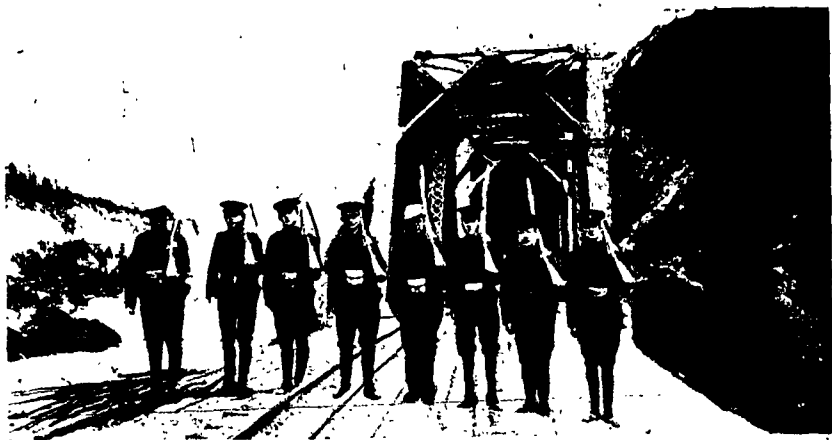


Empress of Russia in Camouflage.

Photo by Stuart Ball.



S. S. Missanabie, with Contingents for the Great War, Leaving Montreal.



Troops Guarding Cisco Bridge, Fraser River Canyon.



Women Workers at Angus Shops.



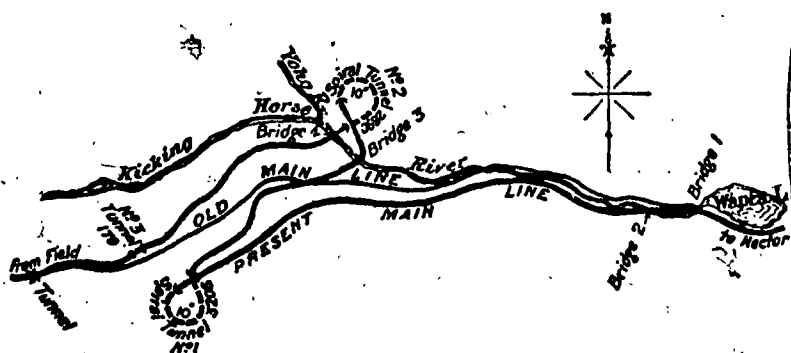
Compressor for Baling Hay at Angus Shops during the War.

Among the wreaths received was one from the Queen with a note in her own handwriting:

"In sorrowful memory of one of the Empire's kindest of men and the greatest of benefactors, from Alexandra."

Three months later the Bassano Dam was opened on the huge irrigation system in southern Alberta, greater than the Assuan Dam on the Nile and containing water enough to cover 14,000 acres with a foot at a time. In the following June the largest freight terminal yards in North America with an ultimate capacity of 13,136 cars were opened at Transcona, near Winnipeg.

Then came the tragedy of Sarajevo and the Great War.



Grade Reduction on the main line between Hestor and Field, B. C.

C. P. R. AND THE WAR

THE MILITARY value of the Canadian Pacific Railway to the British Empire had been the chief consideration of Lord Salisbury's Government in 1887 when it granted the mail subsidy which made the trans-Pacific Service possible. At that time the threatened danger came from Russia, but on the outbreak of the Great War, when Germany was the enemy, part of the military service required was in providing Russia with supplies through Siberia and in driving not the Russians but the Germans from the Pacific. Four hundred and fifty thousand tons of war supplies for the Russian Government were handled by the Canadian Pacific.

That service was, however, only one small item in the services which Shaughnessy was able to offer in the name of the railway to the cause of the Allies. Fleets of steamers on the Atlantic and the Pacific, many of them built under Admiralty supervision so as to be readily adaptable as armed cruisers; a transcontinental railway across North America equipped with ample rolling stock; a great manufacturing plant in the Angus shops at Montreal; terminal elevators and facilities for rapid handling of food supplies; affiliations with railroads serving industrial centres in the United States; a staff of engineering, financial, purchasing and administrative experts—these combined to make the C. P. R. an auxiliary of exceptional value to the war machine of the Allies, in view of the world-wide character which the war quickly assumed and the necessity of bringing with the utmost rapidity to the battlefields of Flanders and France supplies and men from the North American continent and from the Far East.

When signs pointed to war, before an actual declaration had been made, the whole system was keyed up to take its part in supporting the cause of the Allies—and the hundred thousand

miles of Canadian Pacific telegraph system was kept humming with messages mobilising the rolling stock for the calls which such an effort was sure to demand. Every Canadian knew that in the event of a war between Great Britain and Germany, Canada would send troops overseas—there were many reservists throughout the country to be rushed to the Atlantic ports, and Great Britain's need of foodstuffs from Canada meant speeding up the grain shipments from the harvests of the west.

When war was declared on August fourth, Sir Robert Borden, in agreement with the leader of the opposition, Sir Wilfrid Laurier, cabled Canada's support to England. The British Admiralty at once requisitioned the principal vessels of the Canadian Pacific (which now had absorbed the Allan Line) for service as armed cruisers and transports. Thirty-seven Canadian Pacific steamships with a gross tonnage of 329,690 were in Admiralty service during the war, transporting approximately 1,000,000 troops from or to Canada, the Mediterranean, India, China, Egypt, Gallipoli, Mesopotamia, across the English Channel, in addition to about 4,000,000 tons of cargo, munitions, food supplies, etc., as well as carrying on important patrols.

Twelve of these Canadian Pacific vessels were used in the fleet assisting to transport the first Canadian Expeditionary Force, which set out from Gaspé Basin in September, 1914.

On the Pacific the *Empress of Asia* was commissioned at Hong Kong on the day before war was officially declared, and left under secret orders for the Philippines. The *Empress of Russia* left Vancouver for Hong Kong on August sixth, making a record run of thirteen days. There she was fitted with eight 4.7 guns, and dashed off, manned by British Naval Reservists, a hundred French gunners and a scratch crew of Chinese sailors and firemen, to assist the *Empress of Asia* in blockading Manila Bay where fourteen German supply ships were waiting in hope of joining up with the German squadron under Von Spee. Thereafter, with the *Empress of Asia* she patrolled the Indian Ocean in search of the German raider *Emden*. When the cruiser *Sydney* smashed the *Emden*, the *Empress of Russia* took off the crew as prisoners, including the redoubtable Von Mueller, and landed them at

Colombo. Then with the *Empress of Asia* and the old *Empress of Japan*, together with two vessels of the Indian Marine, she formed the Red Sea Southern Patrol, intercepting Arab dhows that were trading with the Germans, capturing the Turkish fort of Kamaran and guarding the port of Aden, until she was released for regular service on the Pacific.

In May, 1918, both the *Empress of Russia* and the *Empress of Asia* were transferred to the Atlantic by way of the Panama Canal. The *Empress of Russia* carried British military and government passengers to Vancouver, New York and Liverpool, picking up in New York 2977 United States troops for Europe, and then going into regular trooping service between Europe and New York till January, 1919, when she returned from Havre to Hong Kong with a large draft of Chinese coolies being returned to the Orient. The *Empress of Asia* took a large draft of Chinese coolies for work in the trenches, and thereafter carried United States troops to and from Europe till she was released from government requisition in February, 1919.

The *Monteagle*, another vessel in Pacific Service, was sent from Hong Kong to India to transport native troops to the Mediterranean. The *Montrose* and the *Montreal* were in Antwerp when the Germans swept over Belgium, the latter vessel with her engines out of commission. Loading both ships with refugees, Captain Kendal, on the *Montreal*, towed the *Montrose* to a British harbour.

Among the war duties provided by Canadian Pacific ships, one of the most interesting was that of the *Alsatian*, afterwards renamed the *Empress of France*, which served as the flagship of the patrol between the Shetlands and Iceland, enabling Admiral Jellicoe to complete the defences at Scapa and intercepting 15,000 ships, steaming, while in war commission, 266,740 knots. Her sister ship, the *Calgarian*, was utilised first as a blockade ship at the mouth of the Tagus, then used as a patrol ship off the port of New York, and later as a convoy for Atlantic liners, until in March, 1918, she was torpedoed by a German submarine. The old *Empress of Britain*, afterward renamed *Mountroyal*, served as a transport to the Mediterranean and between Dunbar and Bombay. The *Monmouth* served as an ammunition carrier to

Northern Russia, on account of the Russian Government. At the outbreak of war, the Canadian Pacific had in commission in the Atlantic and Pacific services 38 steamships, with an aggregate gross tonnage of 342,000 tons. During the war, the construction of 4 steamships, having a gross tonnage of 54,000 tons, was completed, and 12 steamships, of 69,000 gross tons, were purchased within the same period. During the war 15 steamships were lost by enemy action or through accidents at sea. The *S. S. Empress of India* was purchased by Indian Princes and presented by them to the British Government for use as a hospital ship. The total tonnage lost through enemy action was 109,725. The fifteen steamships lost through enemy action, or through accidents at sea, were the following:

Through enemy action: *Calgarian*, 17,515 gross tons; *Carthaginian*, 4,444 tons; *Ionian*, 8,268 tons; *Hesperian*, 10,920 tons; *Lake Michigan*, 9,288 tons; *Milwaukee*, 7,323 tons; *Montreal*, 8,644 tons; *Mount Temple*, 9,792 tons; *Montford*, 6,578 tons; *Missanabie*, 12,469 tons; *Medora*, 5,135 tons; *Miniota*, 4,928 tons; *Pomeranian*, 4,421 tons.

On the railway from New Brunswick and Nova Scotia on the Atlantic to British Columbia on the Pacific, every one of the eighty-five thousand Canadian Pacific employees felt that he or she was enlisted in the ranks. Right of way was given to all troops and supply trains. There was every reason to expect attempts to dynamite bridges on a railway of such strategic value, and it was due to the enlistment of two thousand special sentries that only one such attempt ever got so far as an explosion—delaying the passage of trains at Vanceboro, where the Short Line crosses the State of Maine, for six hours.

Within a few months of the outbreak of war, it became evident that Great Britain was unable to manufacture by herself sufficient shells to keep pace with the immense demands for ammunition. Canada up to that time had no shell manufacturing plant; but the Canadian Pacific led the way, and the first shells made in Canada were turned out at the Angus shops. The earliest intimation that such shells would be required was received on January 11, 1915.

The first press was completely assembled and tested on the thirty-first of that month—all the designs and patterns being made on the spot, in addition to the machinery and construction. Five other hydraulic presses of three hundred and twenty-two tons capacity were built at the Angus shops, in addition to eleven eight hundred ton presses for heading cartridge cases.

It was at the Canadian Pacific shops that the first large experiment was made in the "dilution" of labour, by using women, where possible, to relieve the shortage of male labour; and it was at the Angus shops that women workers were first induced to don the breeches. The engineering skill of Canadian Pacific employees was turned to good effect in other directions. Lieutenant Colonel C. W. P. Ramsey, formerly engineer in charge of construction, organised and went overseas in command of a railway construction corps recruited from the ranks of Canadian railwaymen, and consisting of twenty officers and five hundred and three men.

On the outbreak of war, Great Britain and the Allies found it necessary to purchase large supplies of foodstuffs and army supplies in Canada, and both the British and Canadian Governments found themselves seriously handicapped, through lack of experience, in the problem of controlling and furnishing the shipping necessary to transport such Canadian produce to Europe at reasonable cost. In order to provide these governments with the experts skilled in the highly technical work of chartering ships and handling such problems, Shaughnessy lent the services of Mr. (now Sir) Arthur H. Harris, together with thirty other picked officers of the company, to look after such charters and transport. These were given power to control shipments for export over all lines, and saved millions of dollars by economical chartering of ships, and by direction of traffic which eliminated congestion and enabled the shipments to be cleared the moment they arrived at the port to which they were consigned. Two thousand one hundred and forty-six transport sailings were arranged under this direction from Canadian ports during the war, the gross tonnage of material and supplies cleared (excluding horses and mules) totalling 12,239,763 tons. Of this amount 4,000,000 tons was carried in Canadian Pacific Steamships, which also transported during the war 810,000

Canadian and American soldiers, losing only eighty-nine in carrying them.

Himself a former purchasing agent, Shaughnessy realised the value to the British Government of a reliable expert in Canada familiar with conditions and sources of supply, and loaned one of his ablest assistants, Edward Fitzgerald, for that purpose. With a staff of fourteen, Fitzgerald purchased in Canada during the war for the British, South African and Russian Governments and for the India Office \$48,374,121 of Canadian produce at an enormous

saving to these governments. One item suggested by Fitzgerald was Canadian pork and beans. This proved so acceptable to the soldiers at the front that the order grew to 139,250,000 tins before the Armistice was declared. The order for the Russian Government consisted of a million and a quarter dollars' worth of equipment and tools for Forester Battalions.

At the suggestion of the Imperial Munitions Board, the Canadian Pacific undertook the production of zinc on a large scale, installing a new plant at its Trail Smelter, in British Columbia, in 1915, which eventually proved to be the foundation of a huge industry, far exceeding that originally contemplated. The requirements of the Imperial Munitions Board in Canada became so great that Edward Fitzgerald was transferred to direct their purchases in 1917.

In England the European general manager, George McLaren Brown, was loaned to the British War Office, where he was appointed assistant director-general of movements and railways. The Canadian Pacific staff in Great Britain and



Statue to C. P. R. men who fell
in the War

By Cœur de Lion McCarthy.

Europe with its experience in handling traffic on a large scale proved invaluable during the war, and Brown himself received a Knighthood for his services at the conclusion of hostilities.

Partly in recognition of the war contribution of the Canadian Pacific, Shaughnessy was elevated to the peerage in 1915. This did not make him any the less democratic or interfere with his daily appearance at his office in Windsor Station in Montreal.

Interviewed by a representative of the *St. Paul Post-Dispatch*, the new peer remarked:

"The day is coming when it will be vulgar for a man to have more than a million dollars. Aristocracy should be based on brain refinement and work—work that is well-directed, useful and conscientious."

In reply to the question whether he was going to accept the post of High Commissioner for Canada in London, he replied:

"There is a High Commissionership attached to the C. P. R. which requires all my attention at present."

The Canadian Pacific organisation in the United States assisted the British-Canadian recruiting mission in its endeavour to enlist British and Canadian residents in the United States for the Allied Armies. Lieutenant Colonel J. S. Dennis, who was commissioner for the Department of Natural Resources and Colonisation, was loaned to this mission, and his services were largely instrumental in enlisting forty-seven thousand voluntary recruits. On the completion of the work of the British-Canadian recruiting mission, Lieutenant Colonel Dennis was loaned to the Canadian Red Cross, in connection with the Canadian Expeditionary Force to Siberia.

The disturbance to Canadian industry, caused by the outbreak of war, naturally threw a large number of men out of work, and the question of unemployment became one of the most serious which Canada had to face. The Canadian Pacific decided to find employment for six thousand additional men in order to tide over the period of unemployment until industrial conditions should be adjusted. In selecting these six thousand extra labourers, care was taken to see that relief was given only to those belonging to races which were fighting on the side of the Allies. Foreigners

had to provide a consular certificate proving their country of origin.

Up to November 11, 1918, the total number of officers and employees of the company who had joined the Army was 10,187, of whom 993 paid the supreme sacrifice, and 1952 were wounded. Among those who died in action was Captain Fred Shaughnessy, the second son of the President, who was serving with the 60th Canadian Infantry. The Canadian Pacific allowed six months' full pay to each employee enlisting and let it be understood that on his return to Canada such employee would be taken back into the service. The presence of so many railwaymen in the ranks proved of great service to the efficiency of the Canadian Army, owing to the part that light railways played on the Western front. The undertaking to provide employment to those who voluntarily enlisted for overseas service was lived up to; indeed, many returning soldiers who were not originally in C. P. R. service were taken on.

Total reported as joining the Army	10,394
Dead	993
Wounded	1,952
Re-employed in the service	4,305
Other soldiers given employment	4,854
Total soldiers given employment	9,159

During the War the Canadian Pacific contributed to the financial support of the Allies by loans and guarantees in one form or another aggregating an amount upwards of one hundred million dollars—probably the largest universal contribution made by any industrial enterprise in the British Empire. The following is an extract from an interview with Major-General E. W. Wilson, C. M. G., G. O. C., 4th Military District, appearing in the *Montreal Gazette*:

"While all those engaged in the transportation of troops deserve commendation in this connection, I think special tribute should be paid to the C. P. R., which has to its credit a record of punctuality, service and efficiency in the handling of troop trains which may truly be described as amazing. It is so often the last lap in the race that counts, and the last lap provided by the C. P. R. has left a feeling of satisfaction in the minds of the men that has been of untold benefit. In spite of all the uncertainties of blizzards and snow-



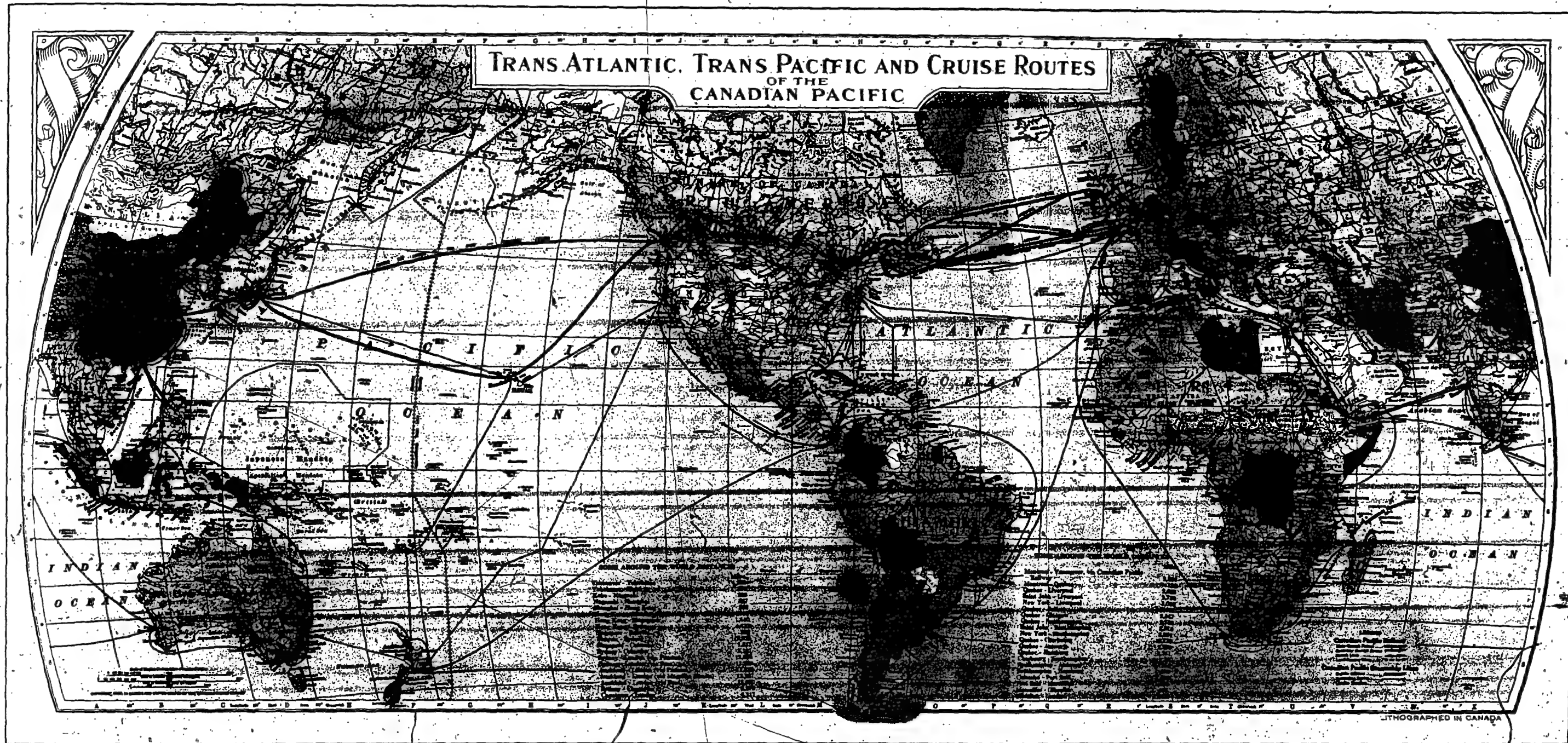
From the painting by Joshua Smith.

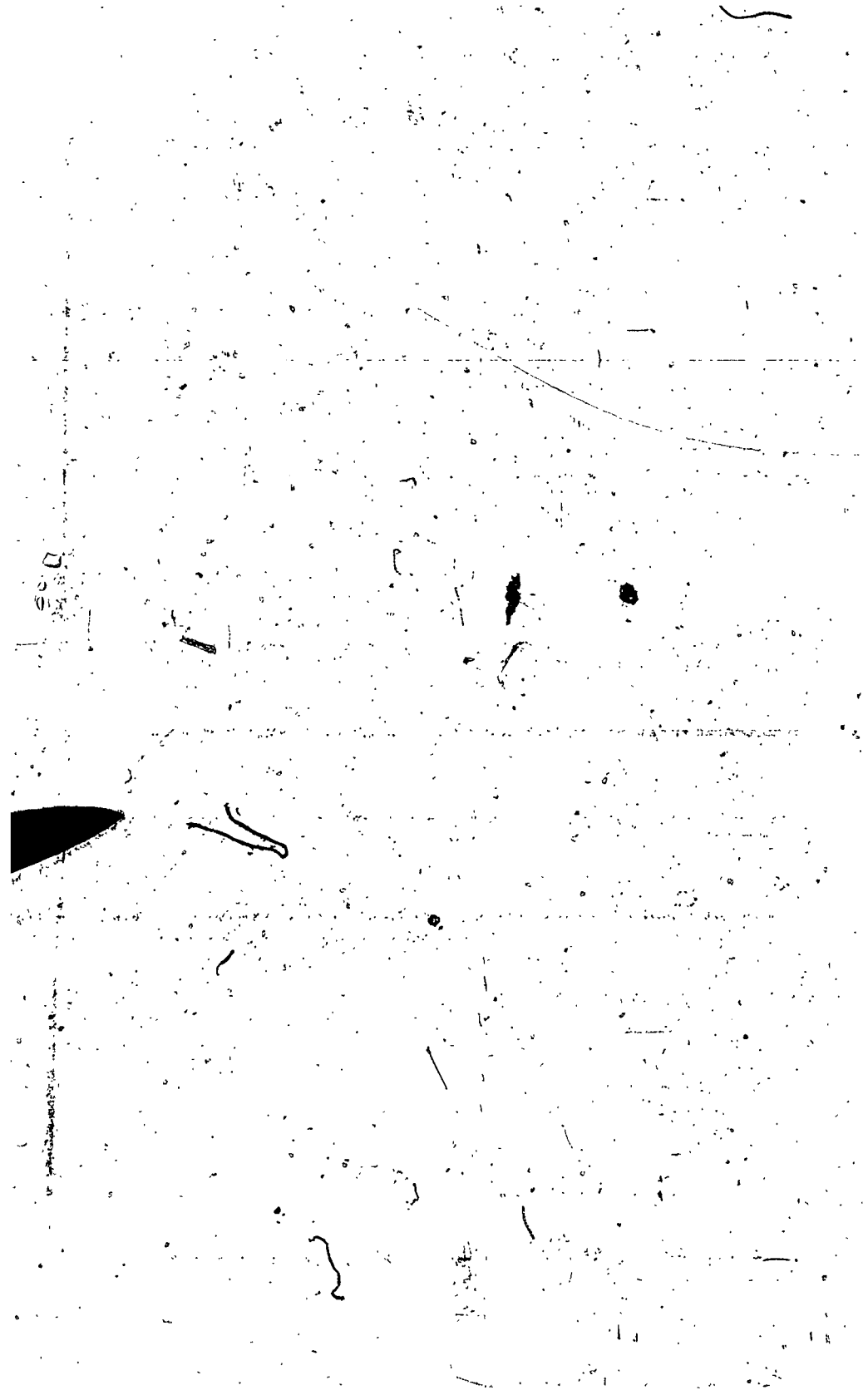
Sir Edward Beatty, G.B.E.

(1877-)

Third Chairman and Fourth President of the Canadian Pacific.

TRANS ATLANTIC. TRANS PACIFIC AND CRUISE ROUTES
OF THE
CANADIAN PACIFIC





storms, out of 160 troop trains handled by the C. P. R. in the last seven weeks, only nine did not arrive on time—and of these nine the delays were, in several cases, due to delays not on the C. P. R. but on connecting lines. Even when the trains have been delivered late to the C. P. R. at a junction point, as, for instance, the train carrying the 14th Regiment, that time has been made up so as to bring the train into the depot on the second.

"The train crews on the C. P. R. are evidently carrying out the spirit of the admirable circular issued by Vice-President A. D. MacTier, asking employees to handle trains with returning soldiers as if they were their own relatives, and giving instructions that troop trains should have the right of way and first claim on any locomotive in the case of a breakdown. That spirit runs right through the C. P. R. service—even the red caps at the depots, refusing tips from the Montreal ladies serving the wives and children who come with the soldiers from the Old Country. The commissariat arrangements have been so well handled that there has not been a solitary complaint; indeed, every incoming train produces an unsolicited testimonial from the officers in charge as to the excellence of the food.

"Another point on which the C. P. R. deserves the thanks not only of the military, but also of the public, is the efficiency and the celerity of its telegraph service, which has enabled us to keep track of every troop movement the moment a train was delivered to C. P. R. lines. Only those who have to do with troop movements realize what a relief such a service is, and the C. P. R. certainly has been perfect in its telegraphic arrangements."

E. W. BEATTY STEPS UP

FAILING eyesight and indications of physical strain warned Lord Shaughnessy towards the end of the war period that he must find a successor in the presidency. About a year before the decision was made, he was on a tour of inspection and in answer to an enquiry as to what the C. P. R. proposed to do about a certain work replied:

"I could probably answer your question, but there is a young fellow further down the platform who could tell you a whole lot of things about the C. P. R. that I couldn't tell you."

The young fellow was E. W. Beatty, son of the Henry Beatty whom Van Horne had chosen to operate the Great Lakes Steamships and to advise on the designs for the first *Empresses* on the Pacific Service. Just a year before that, Beatty had been described by a friend as

"a man who just the other day was a boy, and who still regards life as a game of Rugby."

In his student days at Toronto University, he played quarterback in the Junior and Intermediate Canadian Championship Games. Boxing was another of his favourite sports. He has retained in after years the physique developed in these games—the typical boxer's walk, springy and yet firm—his heavy shoulders and arms a little bent, suggesting a wary yet aggressive boxer, or a quarterback ready to pass the ball or alert to tackle an opposing player. Wary and yet aggressive alertness were certainly needed for the job of tackling the problems facing the railway.

E. W. Beatty was himself the first Canadian-born president of the Canadian Pacific, and his appointment was a sign of the times. While the initial financing of the railway had to come largely from

British, European or American houses, and a number of executive posts went in the early days to American railroad men with wider experience of construction and operation than could be found at the time in Canada, the control from the inception remained in Canada, and the personnel of both shareholders and officials became more and more Canadian. The example of Van Horne and Shaughnessy in becoming Canadian citizens was followed by other Americans who remained in service in Canada. Those of British origin required no naturalisation papers and automatically became Canadian, in spirit as well as in fact, after a very short residence. Fourteen of the seventeen directors shown in the annual report dated March 11, 1935, are resident in Canada, with two in England and one in New York. Of the 34 general officers shown in the annual report of 1918, the first under E. W. Beatty's presidency, only three were born in the United States, the rest being Canadian by birth or of British extraction and resident from youth in Canada. As regards the shareholders, in 1883 there were 525 shareholders. In 1934 there were 72,741 holders of ordinary stock, of whom 30,202 were Canadian; 21,391 British; 16,603 citizens of the United States; 4,545 holders in other countries. The preference stocks are and always have been held chiefly by British investors who look upon the Canadian Pacific as the financial barometer of Canada, and number 27,653 out of a total of 27,967 of the holders.

E. W. Beatty graduated into the legal department of the Canadian Pacific from the office of A. R. Creelman, K. C., in Toronto, and he rose rapidly in Shaughnessy's confidence and esteem. Combined with infinite capacity for taking pains was a sense of humour, and a sympathy for the problems of fellow officers and employees. He had ample opportunity to get acquainted with their individual problems, for in the operations of a company with such wide ramifications, every day brings a host of questions requiring legal advice.

Grant Hall, who came from Winnipeg to be vice-president in Montreal when E. W. Beatty was appointed president, delighted to tell the story of an interview with his chief when he was called upon to cut down expenses at the Angus shops. Any reduction

at the time in question could only be made by a reduction in staff, so he brought in a list of men that might be laid off. It was a cold wintry day. "E. W.," as he was popularly termed, looked at the list and then out of the window where a blizzard was raging. All he said was:



Grant Hall, a notable Vice-President

"This is a helluva day to let men out, Grant. Let's forget it."

Speaking to the York Bible Class in a reminiscent vein, E. W. Beatty said:

"In the year 1894 I entered Toronto University as a freshman in Arts. Like many other young men, I had no definite purpose in going to a university. My parents, like many other parents before them and since then, had a general idea that a university education would be a valuable asset to a young man, and that he would go farther with it than without it. . . . My father was a North of Irishman, and we all know that the North of Irishman is simply a glorified edition of a Scotsman, and they have many of the characteristics of the Scotch. We know that Scotsmen take their religion, their liquor and their education seriously, and of all the peoples in the world they have made the most consistent use of all three. And so it happened that I took an Arts course, with the hazy idea that later I would study medicine. I had an older brother who was destined for the law, but he changed his mind and decided to become a doctor. Automatically, I turned to the study of law, and it was not till years after that I realized I had made a mistake and that I should have entered the ministry. However, I did the next best thing and became a railway man . . . the language of both professions is very similar."

To a writer in MacLean's Magazine he said:

"My big problem was our relations with the public. These relations grew out of the new railway situation in Canada—the C. P. R. had come suddenly into juxtaposition and competition with its own Government."

The bubble of unlimited capacity for railway lines in Canada

had been burst by the war. A Royal Commission, delegated in 1916 to investigate, pointed out that while in 1901 Canada had 18,100 miles of railway for 5,370,000 inhabitants, or one mile for 300 inhabitants, in 1916 it had 40,384 miles for 7,500,000 inhabitants, or one mile for 185 inhabitants as compared with one mile for 400 inhabitants, in the United States. The Grand Trunk Pacific, itself in financial difficulties, had repudiated in 1915 its contract to operate the 2007 miles of National Transcontinental between Winnipeg and Moncton, which the government had therefore tacked on to the old Intercolonial Railway. Still more damaging was the admission by the Grand Trunk on December tenth of the same year that it was unable to fulfil its obligations with respect to the Grand Trunk Pacific. While the parent company had paid dividends to holders of guaranteed and preference stocks, its ordinary shareholders had been left in the cold. The Canadian Northern, with heavy Provincial Government guarantees, was threatening to bring down the financial credit of the provinces in its own collapse.

On August 1, 1917, the government took over the Canadian Northern with all its obligations, paying ten million eight hundred thousand dollars to its stockholders in the following year for sixty per cent of the stock, the balance of forty per cent having already been deposited with the government in exchange for a guarantee of bonds. The railway was merged with the Intercolonial, the combined system being renamed the Canadian National Railways in June, 1919. On March 10, 1919, the Grand Trunk Pacific was taken over by the Minister of Railways and Canals as receiver, and on December thirty-first of the same year the Grand Trunk itself came limping into the government hospital.

The Press Gallery at Ottawa, which exercises a genial freedom of speech at its annual banquets, sang a chanson to suit the occasion:

"Railway Rosary"

—Air of God Save the King

"God gave the C. P. R.

Engine to parlour-car,

Save the C. P.!

Send them some more George Hams,

STEEL OF EMPIRE

Soften newspaper slams,
Ward off the people's dams,
Save the C. P.!

"God help the C. N. R.
Bring back the line to par,
Save the C. N. I
Save it from Bill and Dan,
Eddie or Lomer Guin,
Or other bogey man,
Save the C. N. I

"Shareholders spread afah!
Throughout this broad Empah!
Save the Grand Trunk
Save it from Arthur Meighen,
Save it from Smither-eeen,
Or any other has-been,
Save the G. T. I"

The final co-ordination took place on October 4, 1922, when Sir Henry Thornton, an Anglicised American, was appointed chairman with apparently quenchless thirst for draughts from the Dominion Treasury and a board of more or less political directors for the combined System now known as the Canadian National Railway Company.

Lord Shaughnessy foresaw the danger to Canadian credit that must inevitably follow so unscientifically planned a government-owned railway system, particularly if its constitution were left open to political pressure. In April, 1921, entirely on his own account as a private citizen, and without implicating the directors or shareholders of the Canadian Pacific, he addressed to the Right Honourable Arthur Meighen, Conservative premier, a method of dealing with the problem which might, he thought, save the Grand Trunk from extinction and enable it to remain privately owned and operated. He suggested that the land lines of the Canadian Pacific in Canada might be separated from its other interests and operated with the government lines by the Canadian Pacific under a contract to administer the whole property for account of the Canadian people, eliminating uneconomic duplication of track

branch lines, terminals and services, the Canadian Pacific shareholders to be guaranteed a dividend on the capital involved in their contribution.

The Shaughnessy plan, however, did not receive any acknowledgment from Ottawa, and the two railway lines were left side by side to fight each other for traffic in a sparsely populated territory, one privately owned and described by the Royal Commissioners Report of 1932 as having

"brought faith, courage and invincible energy to the task of building its lines through the undeveloped west. The Company's achievement commanded the admiration of both railway operators and the public, and has been a material factor in causing Canada to be favourably known upon three continents. Their operations brought profit to shareholders, and the enterprise became a national asset of acknowledged value and importance to the Dominion."

The other line was government-owned and operated, a conglomeration of systems built to compete with one another and therefore impossible of efficient operation as one unit, too heavy with unnecessary mileage, but able to draw on its adopted governmental parent for money to meet its deficits, expenses and extensions on a scale permitting of reckless prodigality. At the same time everything possible was done to handicap the Canadian Pacific in its plans for development. The policy of the public ownership protagonists who were endeavouring to wring the neck of the Canadian Pacific and transfer its profits to the government railway reminds one of the fable told by Aesop the Greek about six hundred years before Christ.

"The Goose with the Golden Eggs"

"A certain man had the good fortune to possess a Goose that laid him a Golden Egg every day. But dissatisfied with so slow an income, and thinking to seize the whole treasure at once, he killed the Goose; and, cutting her open, found her—just what any other goose would be!"

The ostensible reason given for the government policy was to provide competition and prevent the other systems from being

"gobbled up by the C. P. R." The word "monopoly" was a red rag to many political bulls. In the address to the York Bible Class, from which some extracts have already been given, E. W. Beatty dealt with this mental attitude:

"The Corporation with which I am associated is very extensive in character, with widely spread and varied activities. It is and has been the most outstanding enterprise of this country, and the largest transportation enterprise in the world. When in the earlier days it enjoyed what amounted to a complete railway monopoly in certain parts of Canada, it was unpopular. Whether it deserved that unpopularity or not I cannot say, but I can assert with reasonable confidence that no Corporation could in that atmosphere and in these times be a monopoly and still be popular. When competing Systems grew up, without any marked change in its methods, it regained a great deal of its popularity . . . because the public, with other systems and their services before it, had a yardstick whereby it could measure the virtues and shortcomings of all systems."

Facing the facts, the Canadian Pacific went ahead developing its own system as a fast overland route between Europe and the Orient, and playing a major part in the settlement of the west and in the development of the land, timber, mineral, tourist and other resources of Canada, so that adequate traffic should be available for its transcontinental lines.

The front had now been transferred from Europe to Canada, with an opposing system of state operated railways and the still more formidable problem of renewing and strengthening the main transcontinental line to meet changing conditions of transportation, of keeping pace with new developments in railway engineering, of reducing labour costs by mechanical improvements. Thousands of miles of track were replaced with heavier steel and rock-ballasted, bridges were rebuilt to carry heavier locomotives, steel-framed cars replaced old wooden equipment, terminal and station facilities were enlarged to take care of longer trains, equipment of the most modern type was built or purchased, in fact the whole line was remodelled and modernised. These improvements made possible the acceleration and extension of train services, with numerous changes in operating methods devised to meet the menace of new

forms of transportation. Within a decade the Canadian Pacific was built up to a condition of efficiency equal to any in the world. Lines were extended into undeveloped territory, and the purchase (in spite of strong political opposition) and reconditioning of the Northern Alberta Railways put the seal of permanence on the settlement of the fertile Peace River District—hitherto lacking facilities for export. Worth noting is that as soon as purchase was completed, the Canadian Pacific offered a half interest in the Northern Alberta Railways to the Canadian National, who agreed to purchase. In this way the temptation to duplicate was wisely avoided. Hitherto the policy of the rival system seemed to aim at making two lines of railway grow where only one grew before.

Even still more vital to the growth of the company than reconditioning of the roadbed and equipment was the necessity of keeping up the morale of officers and employees who had hitherto been accepted as working for Canada's greatest enterprise and now found themselves facing the implication that this privately owned and operated railway was an interloper on the people's rights. As E. W. Beatty stated in an address to the Canadian Political Science Association:

"The Canadian Pacific suffered more than any other individual from the course followed by the Canadian National during nine years. As the largest single tax-payer in the country, it had to help to pay the bills for a campaign organized for its own discomfiture. It saw territory, which it had nursed and developed, invaded by a competitor with all the resources of the nation behind it. It had to stand by while nation-wide appeals were made to its patrons and friends to forsake it on patriotic and tax-saving grounds."

Here is where generalship of the highest order was required, the organising ability which kept the whole human machine on the tiptoe of efficiency, the dominating personality which infected every C. P. R. man with the spirit of courage.

So far from weakening under this political flank attack, the Canadian Pacific was evidently determined to stand its ground, otherwise this enormous programme would not have been undertaken. And it was not only on the railway lines that things were being done. The whole system from Liverpool to Hong Kong

was evidently being revitalised and rearmed for a vigorous campaign of continued expansion.

E. W. Beatty inherited from his father, Henry Beatty, a keen interest in ships, and the growth of the steamship interests and operations under his régime has been spectacular. The additions to the fleet from 1920-30 involved an investment of ninety-five million dollars, or one-fourth of the expenditure on the whole system during that period, and nearly four times as much as the original capital of the company.

The loss of so many ships, and the wear and tear of others, involved a heavy programme of replacement and reconditioning, all the more costly since postwar conditions had tripled the price of ship-building in England and strikes delayed the completion of such orders as were given. The necessity of reconditioning made it possible to adopt oil instead of coal for fuel—a change which was welcomed by the more broadminded labour leaders, as living conditions for stokers in the old style of coal burning steamer were unavoidably oppressive, and though the oil burner required fewer men, at least this was no longer a dangerous trade. The *Kaiserin Auguste Victoria*, formerly the flagship of the Hamburg-American fleet, was thus reconverted into the *Empress of Scotland*. The cabin type of ship eliminating first-class passenger rates was introduced and became so popular that H. R. H. Prince George elected to travel that way. For the Pacific the *Tirpitz* was bought from the Reparations Commission, but, after trial, was brought back to be entirely re-engined, and now plies on the Atlantic and on cruises as the *Empress of Australia*. The enormous increase in cost of repairs, material and labour led, in 1920, to a request for increase in the mail subsidy given by the Dominion Government for the Pacific service. This the post office refused, going so far as to transfer six thousand sacks of mail from the hold of the *Empress of Asia* to a Japanese liner. What was lost to Canadian business by the use of slower Japanese vessels was gained by American business, as American mail now came forward in large quantities to fill the vacant holds. Canadian business men took advantage of this by sending their mail to the States to have American stamps put on and thus go to the Orient as American

mail, until the situation was righted. In 1922 the *Empress of Canada* was added to the Pacific fleet at a cost of over five million dollars.

In 1925 the Atlantic fleet was strengthened by a building programme of four new vessels of an improved cabin type, each of twenty thousand five hundred tons, named after four Duchesses, and five fast freight boats, each of ten thousand gross tons, to maintain a weekly cargo service between London and Canada. One result of the steamship building programme was that in 1927 the Canadian Pacific carried more passengers from Europe and Great Britain to North America than any Atlantic Line—New York Lines included.

Due to the development of her waterpowers, as well as of her natural resources, Canada was becoming a manufacturing country, depending largely for her progress on export business, and this was an additional reason why the steamship service received so much attention from the Canadian Pacific. Where there is commerce, there is the commercial traveller; freight and passenger business go hand in hand. The more recent addition of the new twenty-six thousand ton *Empress of Japan* to the Pacific Service and of the new forty-two thousand five hundred ton *Empress of Britain* to the Atlantic Service, both making speed records as well as providing a new standard of comfort to the ocean traveller, is typical of E. W. Beatty's progressive policy. The credit for the success of the modernised Canadian Pacific fleet in developing high speed with economical fuel consumption goes to John Johnson, a genius in marine engineering.

The original conception of the Canadian Pacific as a short route to Japan and China with fleets on both Atlantic and Pacific was expanded under the Beatty régime to a world-wide organisation with ports of call for cruising steamships in North, East, South and West Africa, in India, Ceylon, the Malay Peninsula, Java, Bali, the Philippines, as well as Hawaii, China and Japan, in the Mediterranean, in Scandinavia and the Baltic, in South America and the West Indies. Honolulu became an alternative port of call between Vancouver and the Orient. Purchase of a half interest in the Canadian-Australasian Line in 1931 provided

direct connection with Suva, New Zealand and Australia, and brought into definite existence the All Red Line which Lord Strathcona had endeavoured to promote thirty years before. Starting at first with tentative cruises to the West Indies in 1922, the cruise organisation has grown to be the largest of its kind in the world. Its ramifications may be realised from the figures of 1934, which show that thirty-seven special trains were chartered in Palestine, Egypt, India, Malay Straits, Cambodia, China and Japan, not to mention six thousand automobiles at the various ports of call and bullock carriages, camels and elephants as required where trains or automobiles were not available. The world-wide ramifications of the Canadian Pacific organisation may be illustrated from the fact that in order to make out the monthly balance it is necessary to turn fifty-nine different currencies into dollars to give an accurate result in Canadian money.

The co-ordination of rail and steamships under one management has enabled the Canadian Pacific to make speedier transfers of freight at the terminal ports, a service particularly valuable where so much of the merchandise in transit has to be kept at a uniform temperature. Today cars with overseas shipments are loaded where possible with the merchandise on four wheel trucks, which are picked up by a tractor to within convenient reach of the ship's tackle, and then lifted bodily into the hold. Such facilities have been particularly valuable to the Canadian Pacific in retaining its through traffic between Europe and the Orient, a very large tonnage of general merchandise being carried in addition to the more specialised shipments of silk and lily bulbs.

Commensurate with the expansion of the fleet and development of ocean traffic was the enlargement of the hotel system operated by the Canadian Pacific. The Château Frontenac at Quebec was virtually rebuilt between 1923 and 1927 with the addition of a central tower. A new fireproof Château replaced the flame-swept wooden building at Lake Louise in 1925. The Banff Springs Hotel was rebuilt between 1926 and 1928 as a fireproof and much more capacious hostelry. Regina, the capital of Saskatchewan, rejoiced in a new hotel in 1927, and two stories were added to the Palliser Hotel in Calgary. The Empress Hotel at Victoria was



From the painting by Norman Wilkinson.
©

Empress of Britain.

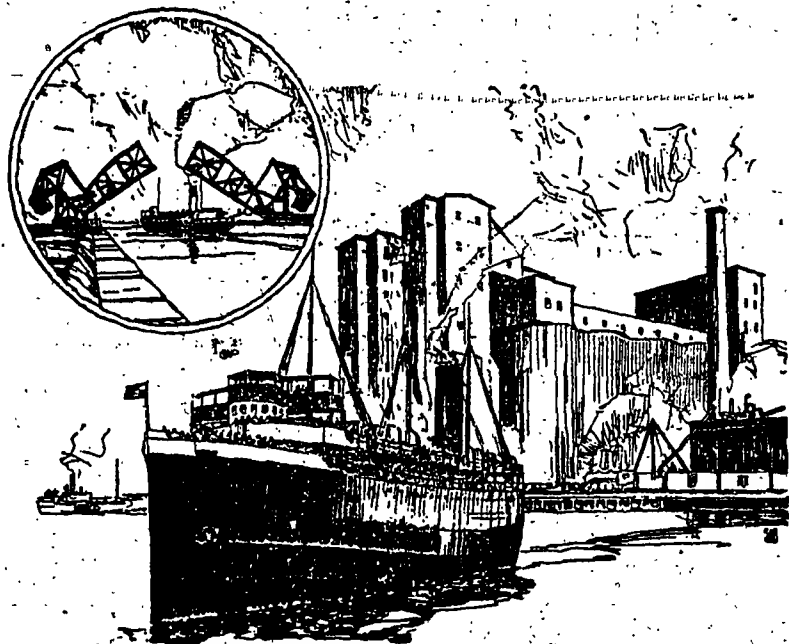
enlarged by a new wing in 1929. The Royal York, the largest hotel in the British Empire, was opened in the same year at Toronto. Nova Scotia got the Pines at Digby, the Cornwallis at Kentville, and the Lakeside Inn at Yarmouth, in 1931. Throughout this period, chalet-bungalow camps were opened as summer resorts for outdoor lovers at various centres in the Canadian Rockies and the backwoods of Ontario. At Montebello, in the Province of Quebec, the Seignior Club was taken over from an American syndicate and operated on a more comprehensive scale. The Canadian Pacific has been the pioneer in creating a tourist industry for Canada, and has reaped the benefit of its foresight, as its hotels serve the highways as well as the railway and welcome the new army of automobile tourists whose invasion of the field of travel might otherwise have proved damaging.

Cortés, Pizarro and the Conquistadors found all the gold and silver they desired in Mexico and Peru, so that the Spanish expeditions to Cathay went no farther than America. If Canada had been known to possess such mineral wealth as has been developed in more recent years, there might have been less incentive for the Canadian Pacific to press on to the Orient, for the Dominion today produces more gold than Mexico and more silver than Peru. When the Canadian Pacific took over the smelter at Trail as part of a railway charter, no one realised that this was ultimately going to develop into one of its major subsidiary enterprises. While substantial profits were made out of the mining and treatment of the gold and silver of Rossland and the Kootenays, the enormous extension of the Consolidated Mining and Smelting Company followed the selective oil-flotation processes for the separation of zinc and lead which were developed in the Tadanac laboratories in 1920 and perfected in 1923. This made the Sullivan mine one of the richest producers in the world, with a concentrator of six thousand tons daily capacity. The average annual production of the Consolidated now exceeds thirty million dollars, and the power projects developed for the requirements of its various plants will shortly approximate five hundred thousand horse power. It now operates the largest non-ferrous metallurgical plant in the world, and employs five thousand men in its mines and

smelters. As a traffic producer, the Consolidated Mining and Smelting Company contributes an average of three million four hundred thousand dollars in freight revenues each year. The exploration work of the company is carried out chiefly by the subsidiary Solar Development Company, which employs ten aeroplanes.

Chemical research employs many University graduates, resulting, for instance, in the investment of ten million dollars on a plant for the manufacture of chemical fertiliser from waste gasses and by-products. E. W. Beatty, as chancellor of McGill University, always believed in research as applied to all forms of engineering, considering that the pioneer of today has to seek adventure as much in the laboratory as in the remote fastnesses of mountain ranges.

The discovery of natural gas in Alberta was made in drilling for the water supply of Langevin Station, near Medicine Hat, and



Great Lakes Steamship at Port McNicoll
Inset—Bascule Bridge over Canal at Sault Ste. Marie.



Sir Edward Beatty, G.B.E. (Center) with Alexander Gillie, Original Engineer, and Lott Britton, Original Fireman of the Locomotive "Lucy Dalton."



Rock Drillers on the Selkirk Tunnel under Rogers' Pass.



Canadian Pacific Train Leaving Windsor Station, Montreal.

later discoveries were made near Calgary in boring operations conducted by the railway company. The most spectacular development of naphtha and gas, however, began in 1923 when Royalite No. 4 was brought into production in Turner Valley and which has produced, up to date, over a million barrels of naphtha and much of the supply for the Calgary gas system.

Another feature of E. W. Beatty's presidency was a more systematic method of colonisation than that which prevailed before the war. Experience had shown that true colonisation does not end with selling land to the settler. Conditions have to be made favourable to his success and contentment as a farmer, and while much of this work might be considered to be rather the function of a government, E. W. Beatty was convinced that the railway is more than a means of transport. This is the keynote of many of his public utterances, as for instance:

"I believe the day is past when Corporations can hold themselves aloof from the struggle for community benefit."

In the colonisation field this has shown itself in the establishment since the war of three colonies of one hundred farms with ready-made houses for war veterans, the organisation of the Clendon Colony of one hundred and twenty farms, the preparation of one hundred farms for British colonists under an arrangement with the Hudson's Bay Company, the erection of cottages for reception of British colonists looking for farm employment, the One Thousand Family Scheme planned in co-operation with the British Government, the education in Canadian conditions and placing of over eleven thousand British women, the placing of nearly five thousand British boys of "teen" age, the distribution of livestock to encourage mixed farming, the operation of demonstration farms at a cost of nearly a million dollars, co-operation with the British Re-Union Association in enabling settlers who have come out in advance of their families to bring out these families, the supervision of fourteen hundred farms over an area of four hundred and seventy thousand acres, providing expert farm management and financial assistance, assistance in the organisation of National Colonisation Boards to receive and assist in the settle-

ment of immigrants from Continental Europe. Under the Ready-Made Farm policy, twelve hundred and fifty-five improved, loan and demonstration farms had been established by 1927, and in the single year of 1926 approximately fifty thousand immigrants from Europe were placed on farms or in agricultural employment with eight hundred and twenty-five additional settlers from the United States.

The knowledge of these activities and of this programme of continued expansion inspired a feeling of confidence throughout the whole Canadian Pacific force, and it was realised that in E. W. Beatty there was a leader no less far-seeing and constructive and no less dynamic than any of his three great predecessors in the presidency.



Empress Hotel, Victoria, B. C.

THE RAILWAY AS CITIZEN

SPEAKING at the Guildhall, in London, on May 3, 1908, the Prince of Wales, later to become King George V, said:

"We have seen how the Canadian Pacific Railway has helped to make a Nation."

Canada proved herself a nation by her contribution to the cause of the Allies in the Great War, and her status is now beyond question. In 1881, the problem faced by the promoters of the Canadian Pacific was that of throwing steel tracks through the barrier of great mountain ranges. In 1935 the barriers to be overcome are economic. The problem which E. W. Beatty as head of the Canadian Pacific had to tackle was that of saving the taxpayers of the Canadian nation from breaking under the terrific load of debt following on nine years of extravagant government railway construction incurred in boom days which sensible people hope will never return. The debt of the state-owned system known as the Canadian National Railways now approximates \$3,000,000,000 and is being added to each year, the net deficit for 1934 together with the interest due to the government amounting to \$85,501,000. In the same year, in spite of still disturbed conditions, the surplus of the Canadian Pacific after payment of all interest charges was \$6,470,000.

There was duplication and to spare in the conglomeration of lines taken over by the Canadian Government from the bankrupt Canadian Northern, Grand Trunk Pacific and Grand Trunk, not to mention that economic absurdity the National Transcontinental from Winnipeg to Moncton. The Canadian Pacific had endeavoured to avert duplication of lines through unproductive territory by offering running rights in the rock and muskeg country north

of Lake Superior, between Sudbury and Port Arthur, and this had originally been accepted by Mackenzie and Mann, the promoters of the Canadian Northern. Unfortunately, the ambition of operating a complete transcontinental line of their own went to their heads, and in 1911 they commenced to construct a duplicate track through this unprofitable territory. When the grandiose Grand Trunk Pacific-National Transcontinental scheme was mooted, Shaughnessy advised the government that it would be more economical for the country to have a running rights agreement with the Canadian Pacific between North Bay and the head of Lake Superior and the acquisition by the Grand Trunk of the Canadian Northern lines in the West. The advice was disregarded and disaster inevitably followed.

Untaught by this experience, the Dominion Government was persuaded by its advisers from 1923 to 1931 to endorse the construction of what the Royal Commissioners in their report of September 13, 1932, call

"Capital and maintenance expenditures for unwarranted branch lines, for deluxe services, for unrequired hotels, for the building of ships in competitive services to be shortly abandoned; and, generally, for costly adventures in competitive railways out of proportion to the needs of the country."

Commenting on this report, E. W. Beatty said in an address to the Canadian Political Science Association:

"After a survey of the whole field, the Commission came to the conclusion that conditions, as they were, could not continue if the Nation was to remain solvent."

The Act that followed the report of this Royal Commission imposed upon the two companies the duty to consider and put into effect any measures of co-operation which could be adopted without sacrifice of the vital interests of either.

In the course of his address to the York Bible Class, from which extracts have already been quoted, E. W. Beatty outlined the general policy that he decided to adopt when he was appointed president:

"It struck me that I might make an earnest effort to convince the people of Canada that while the Canadian Pacific was a very successful railway, steamship, colonization, hotel and development company, it was and would continue to be one of the best citizens of Canada."

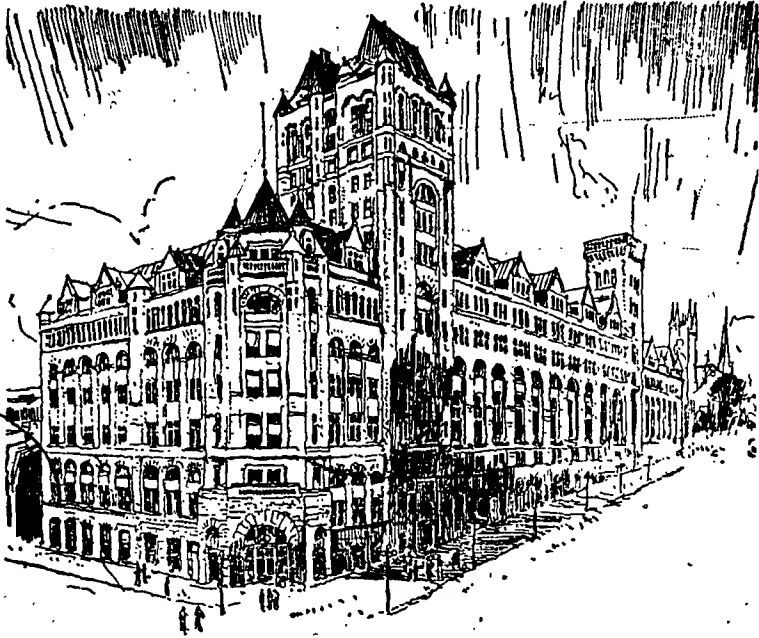
While he maintained the tradition of keeping the railway free from political entanglements, the president encouraged his staff to take a public-spirited part in every worth-while community effort, and himself set the example by serving on innumerable committees and boards formulated for community effort, whether local to Montreal or nation wide. His interest in the welfare of boys, for instance, led to his becoming president of the Boy Scouts Association of Canada. Desiring to further the cause of higher education, he accepted the position of chancellor of Queen's University at Kingston, and later that of chancellor of McGill, in which he has been no mere figurehead. There is always a wide demand for reprints of his public addresses, but none greater than that for the Baccalaureate address which he delivered in May, 1934, to McGill men and women who were taking their degrees. The text for his sermon was *Play the Game*, and the fine points of the game which he recommended them to observe were Courtesy, Dignity, Plain Honesty and Faith. Those who have followed E. W. Beatty's career know that he has practised what he preached to these young graduates, and attribute the loyalty of his railway organisation in the face of severe depression and fierce onslaughts from the cohorts of state ownership to admiration for the personal courtesy, dignity, integrity and faith of their leader.

This honesty of intention has also been generally recognised throughout Canada by those even who are opposed to his policies, though there are, of course, dyed-in-the-wool partisans to whom a corporation is a crime. On that account, unusual attention has been given to the remedy that E. W. Beatty proposed to reduce the burden of taxation incidental to the railway situation, more particularly as this situation is apparently one which the party leaders at Ottawa are afraid to deal with, hoping like Micawber that something will turn up—after the next election.

The remedy suggested by E. W. Beatty was a system of unified

management of rail lines of the two systems, which would eliminate duplication of services and provide the owners of the Canadian National, namely the government, with more money to satisfy their obligations and to relieve the overburdened taxpayer, and would protect the Canadian Pacific from a recurrence of the conditions which prevailed during the nine years of extravagance previous to the recent depression, while it would enable that company to save money from wasteful competitive expenditures and devote more to constructive development of the country's resources in still untapped fields. His argument was not so much that Canada is overbuilt with railways, but that the mileage is badly distributed and should be overhauled. The antagonism between the personnel of the two systems which was partly an inheritance from the old Grand Trunk days has lost its bitterness, owing to the experience of mutual co-operation already accomplished. The economy of union stations had been accepted before the Royal Commission sat, and is practiced successfully at Halifax, Saint John, Quebec, Ottawa, Toronto, and Regina. The agreement for joint control of the Northern Alberta Railways has been implemented with satisfactory results. An agreement was made in October, 1931, under which Canadian National ticket offices acted as Agents for Canadian Pacific Steamships with equitable division of traffic or earnings and arrangement that Halifax should be a port of call in winter, thus giving the Canadian National a share in the connecting rail haul. Pool trains are now run over lines where there was admittedly unremunerative competitive service.

So far as railway lines are concerned, those interests are becoming more and more identical, owing to changing economic conditions, which are forcing all railways in North America to stand together against the competition of free inland waterways and motor-trucking on public highways. The competition of unregulated motor-trucking in Canada has taken most of the profit from short haul freight transport by rail, and free canals have cut into long haul summer freight transport half way across the continent. With its through traffic between Europe and the Orient, the Canadian Pacific is in a better position to face the future than the land lines of the Canadian National, but even if the two land



Windsor Station, Montreal

systems were unified for operating purposes, they would by no means create the Big Bad Wolf of monopoly over local Canadian traffic, although both would benefit by the economy of working together for this local business.

Here then is where the idea of good citizenship adds its contribution to the tide of Canadian Pacific history, the idea which as we have seen was set out by E. W. Beatty as his conception of what he could best contribute to the company when he was first appointed president. Owing to the careful husbanding of its resources and skilful financing, the Canadian Pacific has weathered the storm of the depression which swept over not only North America but the whole world in 1931, although at the cost of considerable sacrifices by officers, employees and shareholders of the company. The profit of 1934 is not being distributed as dividend, but in accordance with traditional conservative policy is held to strengthen the cash position of the company.

If the practical railway officials had been allowed to work to-



Courtesy of the Winnipeg Free Press.

The Coming Feast

From a cartoon by Arch Dale.

gether without political pressure, much more might have been accomplished, but until the working out and enforcement of co-ordination is left to a management free to settle matters on a strictly economic basis, duplication and wasteful services will continue, the National Railways' deficits will weigh still more heavily on the Canadian taxpayer, and the credit of the country will be still more endangered. Fortunately for the Canadian Pacific, it does not live by rail alone. The dictum of George Stephen, at the inception of the company, that the railway must have steamship outlets on both Atlantic and Pacific, otherwise it would break of its own weight, was never so true as today. That policy has relieved the company from dependence on purely Canadian conditions, while it has increased the contribution made by the Canadian Pacific to Canadian progress and prosperity. What it is offering to Canada just now is blood transfusion to an anaemic patient. The unified operation proposed would not be put into effect overnight, but would take probably five years, so as to avoid displacement of labour with the resultant loss of employment. Actuaries have calculated that within this period, according to

normal processes, all existing employees still capable of work would be absorbed into the combined but reduced mileage, while the money released for construction and development in new productive territory would create new openings for employment.

Although acknowledgment is generally given to Sir John Macdonald as the statesman without whose aid and inspiration the railway would never have been built, the Canadian Pacific looks to the future rather than to the past, and today is neither a Little Liberal nor else a Little Conservative. Here are two pertinent quotations from E. W. Beatty's statements:

"Political intrigue and machination of any kind is not our policy. We live by the sale of transportation."

"The usefulness of a railway only continues as long as the people believe in the Company, in its honesty and fair play to the people it serves."



Courtesy of the Winnipeg Free Press.

Cartoon on the Unification Question by Arch Dale

In spite of the burden of debt under which Canada is labouring, he is convinced that there will be a solution, because he believes in the Canadian people:

"If I were asked what is the greatest asset that the Canadian Nation possess, I would answer that it is probably not its gold reserves, its mineral wealth, its raw materials, its rich soil or other such natural resources, but the courageous spirit of the people, a spirit which breathes an unquenchable faith in the country's future."

Whether or not the remedy suggested will be eventually accepted, the Canadian Pacific cannot rest. As these pages have endeavoured to show, it is the practical consummation of a world desire, originating centuries ago, to establish a short commercial route from Europe to the Orient, a route in which the geographical position of Canada has enabled that Dominion to participate. Its development as a combination of railway and steamship services was accomplished only by enormous and continuing effort in the face of physical obstacles, financial droughts and political opposition, and its success was achieved only because it enjoyed the leadership of men of vision, of integrity and of outstanding ability. The Canadian Pacific has its traditions of service to maintain and considers itself as trustee of its obligations to those who had faith in its mission to the extent of giving it the financial support without which no railway or steamship enterprise can exist. In St. Paul's Cathedral there is no monument to Sir Christopher Wren, its great architect, but on a tablet over the inner north doorway is engraved the phrase that the architect used of his own work: "*Si monumentum requiris, circumspice*," of which the English is: "If you are seeking a monument, look around." The Canadian Pacific has no desire for a tombstone just at present but asks Canadians, its fellow-citizens, to look around for evidence of what it has accomplished.

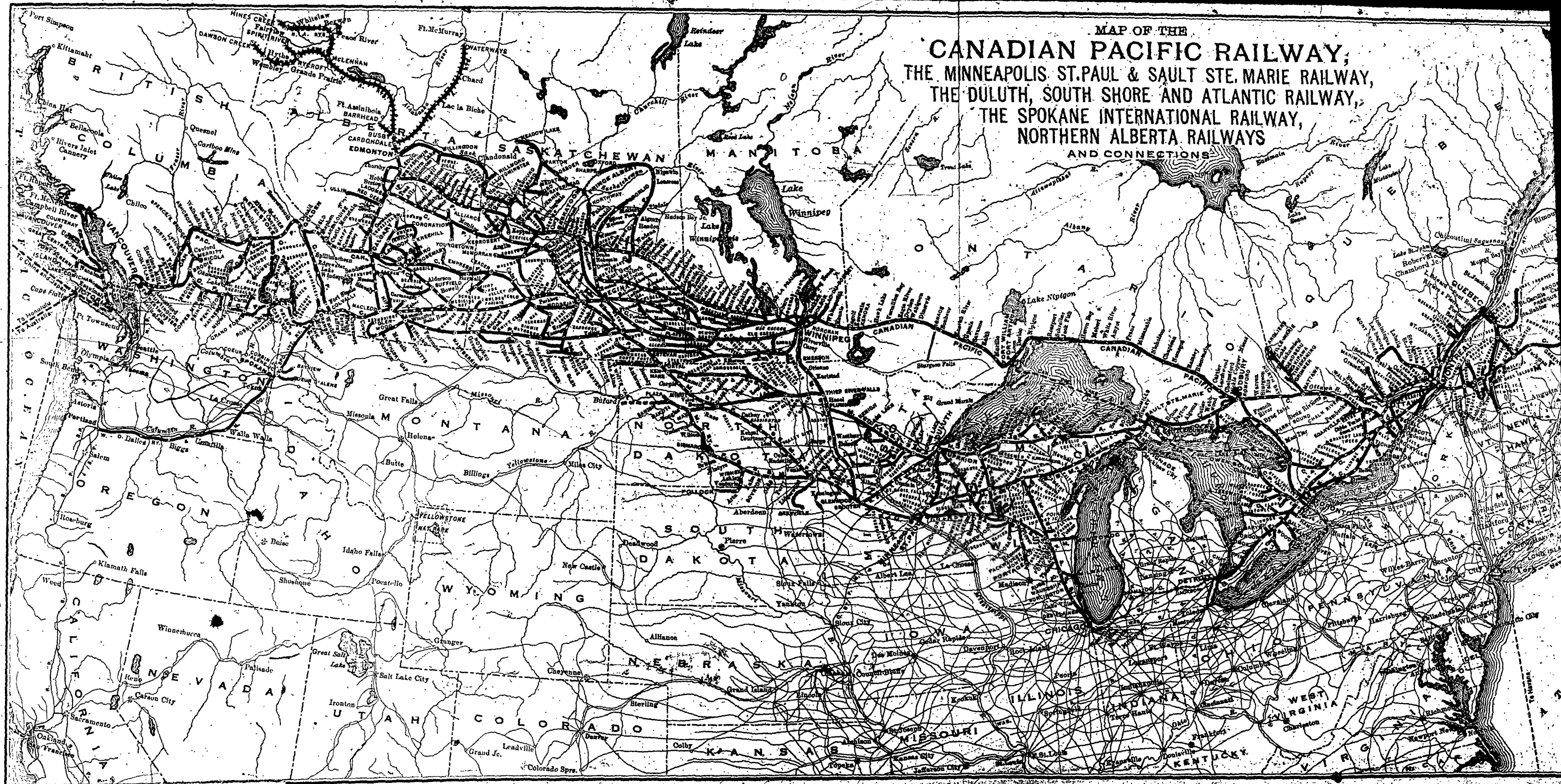
The Public Archives of Canada at Ottawa hold a letter written on February 7, 1877, by George Stephen, then President of the Bank of Montreal, to Sir John A. Macdonald, then Prime Minister of the Dominion of Canada:

"At present there is d—d little encouragement to risk anything in Canadian enterprises, which are nearly all equally bad."

The construction of a transcontinental railway through Canada as part of a highway to the Orient changed all that. It gave Canadians confidence in their own country, and brought investment, industries and population which have enabled Canadians to realise and develop their own now apparently unlimited resources. There is no question now of investment opportunities in Canada, provided the credit of the country is not endangered by tinkering with state socialism or continued extravagance in government expenditure. By its untiring enterprise, and paying its own way, the Canadian Pacific is in the forefront of Canadian development. Through the exercise of economy and efficiency in operation, and through its conservative financing, it has enabled Canada to enjoy a lower scale of freight rates on primary exportable products than exists in any other country. Its organisation is recognised in the world of transportation as second to none—efficient, honest and based on sound business principles. Its directorate is recruited from the leaders of Canadian industry and commerce. Its statesman-like and forceful chairman and president today is a Canadian of Canadians, whom many consider Canada's outstanding private citizen, and whose reputation as head of the world's greatest transportation system, a system which he himself raised to its preëminence, is justly international. In the King's Jubilee Honour List issued on June first, 1935, the title of Knight Grand Cross of the Order of the British Empire was conferred on him in recognition of his "philanthropic, charitable and community services." This is the highest grade in an Order of Chivalry established during the Great War, and the general expression of approval on the announcement of the honour indicates that Sir Edward Beatty, G.B.E., has fully earned the distinction conferred.

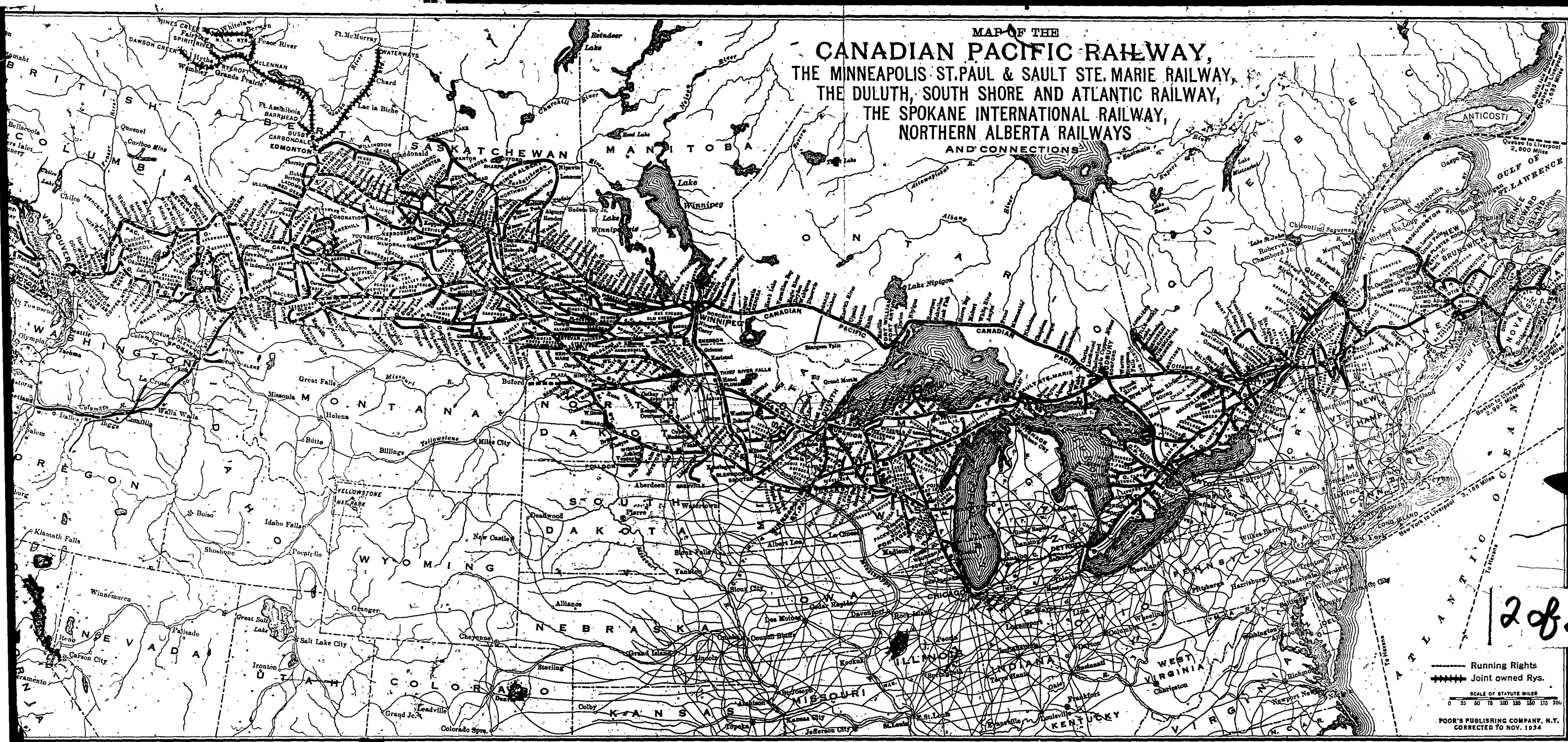
THE END

MAP OF THE
CANADIAN PACIFIC RAILWAY,
THE MINNEAPOLIS ST. PAUL & SAULT STE. MARIE RAILWAY,
THE DULUTH, SOUTH SHORE AND ATLANTIC RAILWAY,
THE SPOKANE INTERNATIONAL RAILWAY,
NORTHERN ALBERTA RAILWAYS
AND CONNECTIONS



106

MAP OF THE
CANADIAN PACIFIC RAILWAY,
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THE DULUTH, SOUTH SHORE AND ATLANTIC RAILWAY,
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NORTHERN ALBERTA RAILWAYS
AND CONNECTIONS



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282



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INDEX



INDEX

- Abbott, Hon. J. J. C. (Sir John), 168, 204,
213, 227, 288
- Aberdeen, 119, 198
- Aesop, 389
- Alaska, 17, 36, 83, 95, 99, 157, 355
- Albuquerque, 6
- Alexandra, Queen, 373
- Allan, Alexander, 114
- Allan, Andrew, 115, 116, 272, 303
- Allan, Henry, 358
- Allan Line, 79, 114, 115, 119, 168, 276,
310, 348, 358, 359, 368, 375
- Allan, Sir Hugh, 114, 116, 149, 168, 169,
171, 172, 180, 204
- All Red Line, 357, 364, 365, 394
- Amoy, 85
- Ancient League, 37, 138
- Angus, R. B., 121, 122, 193, 198, 200, 205,
206, 210, 214, 220, 243, 249, 252, 263,
278, 345
- Angus Shops, 374, 378, 379, 385
- Anne, Queen, 30, 31
- Anson Northrup (ship), 126, 127, 128
- Aristotle, 345, 346
- Assiniboia, 64
- Assiniboine River, 26, 27, 64, 112
- Astor, John Jacob, 42, 47, 48, 49, 52, 54,
176
- Astoria, 51, 52, 53, 54, 56, 70, 85, 98
- Athabaska Lake and River, 40, 41, 44
- Athabaska Pass, 47, 58, 133, 159, 163
- Atlantic and North Western Railway, 198,
250
- Auld Alliance, 37, 138
- Australia, 86, 87, 136, 160, 191, 269, 297,
356, 364, 394
- Austrian State Railway, 371
- Baffin, William, 11, 14, 313
- Balboa, 5, 6
- Ballantyne, R. M., 66
- Banff, 58, 94, 108, 316, 325, 326, 360, 394
- Bank of Montreal, 73, 114, 120, 121, 193,
198, 224, 289, 406
- Baring & Glyn (bankers), 290
- Bassano Dam, 373
- Batteau, 65, 66, 67, 68, 76, 79
- Battleford, 27, 47, 182
- Beatty, E. W. (Sir Edward Beatty, G.B.E.),
104, 298, 384, 407
- Beatty, Henry, 104, 175, 184, 246, 263,
264, 277, 335, 341, 384, 392
- Beaver, 21, 22, 39, 49, 53, 62, 70, 71
- Beaver (ship), 54, 82, 95, 96
- Beaver Club, 51, 55, 63, 70
- Beaver Creek (B. C.), 244, 254
- Beavermouth, 253, 284
- Bella Coola, 44, 45, 95
- Bengough, J. W., 149, 166, 196, 202-205,
215, 228, 225, 230, 233, 261, 316, 319,
321, 328
- Bennett (Rt. Hon. R. B.), 370
- Bering, Vitus, 36
- Blackberry River, 160, 264
- Blake, Edward, 165, 210, 224, 258
- Boissevaine, A., 283, 284, 287, 336
- Borden, Sir Robert, 375
- Borneo, 86
- Boston, 30, 42, 43, 56, 84, 87, 106, 115,
188, 234, 250, 316, 351
- Boswell, 32, 38
- Bow River (and Valley), 27, 58, 109, 112,
244, 253
- Brandon, 64, 221
- British Columbia, 102, 103, 111, 113, 130,
131, 144, 157, 167, 168, 176, 178-80,
184, 186-88, 191, 206, 212, 215, 222,
224, 225, 241, 255, 266, 272, 274, 275,
281, 282, 289, 292, 296, 298, 300, 304,
307, 331, 339-41, 348, 355, 361-63, 366
- Brown, George, 140, 141, 142, 143, 171
- Brown, Sir George McLaren, 380, 381
- Bruce, Hon. R. R., 296, 339
- Buller, Sir Redvers, 154, 348
- Burrard Inlet, 159, 161, 163, 185, 186, 277,
282
- Bute Inlet, 135, 136, 162, 163, 185, 186
- Cabot, John, 7, 10, 313
- Cabral, 5
- Calgary, 27, 251, 253, 254, 255, 265, 285,
288, 297, 394, 397
- California, 17, 87, 96, 97, 99, 100, 103,
124, 126, 129, 187, 201
- Cambie, H. J., 188, 189, 241, 295
- Canada Central Railway, 183, 198, 199,
200, 202, 204, 209, 212, 220, 247
- Canada Company, 81
- Canadian-Australasian Line, 393

- Canadian National Railway, 388, 391, 399,
 402, 404, 405
 Canadian Northern, 361, 387, 388, 399,
 400
 Canadian Pacific Railway, 70, 79, 82, 93,
 100, 104, 116, 119, 122, 136, 139, 145,
 152, 157, 159, 161, 165, 166, 168, 169,
 171, 173, 175, 178, 179, 182, 186, 187,
 190, 192, 193, 196, 199, 201, 203, 204,
 208, 209, 210, 212-407
 Canoes, 26, 27, 28, 38, 39, 41, 44, 48, 59,
 60, 61, 65, 66, 67, 69, 71, 77-78, 93
Canot de maître, 41, 60
 Canton, 2, 30, 41, 42, 46, 50, 54, 56, 91
 Cape Breton, 80
 Cape Horn, 51, 53, 82
 Cape of Good Hope, 5, 6, 29
 Cariboo, 101, 129, 130, 133, 134, 184, 185,
 217
 Cariboo Road, 103, 131
 Carlton House, 66, 112, 284
 Carnarvon, Lord, 180, 301
 Cartier, G. E., 106, 116, 139, 140, 141, 142,
 151, 167, 171, 195, 228
 Cartier, Jacques, 5, 7, 8
 Cartwright, Sir Richard, 142
 Cathay (see also China), 2, 3, 4, 6, 7, 10,
 29, 45, 48, 49, 84, 100, 123, 137, 307,
 313, 336, 356, 395
 Catherine de Medici, 9
 Catherine of Braganza, 29, 30, 88
 Central Pacific Railway, 126, 229
 Ceylon, 4, 6, 393
 Chaffee, A. B., 250
 Chamberlain, Joseph, 365
 Champlain, Samuel de, 21
 Chansons, 25, 27, 28
 Chapleau, Joseph, 214, 228
 Charles II, 23, 29
 Charles V, 5
 Château Fronténac, 336, 396
 Chicago and Alton, 332, 285
 Chicago, Milwaukee & St. Paul Railroad,
 214, 229, 232, 235, 236, 237
 China (see also Cathay), 15, 18, 30, 32,
 33, 41, 46, 48, 50, 52, 56, 70, 84, 87, 90,
 91, 92, 120, 130, 136, 144, 161, 177, 191,
 229, 275, 276, 277, 279, 300, 305, 307,
 312, 316, 325, 332, 336, 337, 355, 356,
 375, 393, 394
 Chinese, 16, 30, 43, 50, 90, 100, 126, 129,
 160, 161, 189, 218, 241, 242, 267, 281,
 282, 292, 340, 375, 377
 Chippendale, 30, 31
 Churchill River, 41, 63
 Cibber, Colley, 30
 Cinderella, 8, 9
 Colbert, 19, 80
 Coleridge, S. T., 14, 84
 Columbia River, 46, 48, 51, 52, 53, 56, 57,
 60, 68, 83, 95, 96, 97, 99, 100, 101, 108,
 124, 131, 132, 133, 159, 244, 255, 265,
 270, 272, 284, 291
 Columbus, 2, 6, 16, 97, 123
 Company of a Hundred Associates, 9
 Consolidated Mining and Smelting Co.,
 395, 396
 Cook, Capt. James, 16, 34, 35, 40, 41, 42,
 45
 Cooke, Jay, 161, 168, 171, 188
 Coppermine River, 40
 Corte-Real, Gaspar, 5
 Cortés, Hernando, 5, 6, 395
 Couling, Samuel, 16, 17
 Craigellachie, 278, 294
 Credit Valley Railway, 250, 252, 253
 Crowfoot, Chief, 285, 308
 Crow's Nest Pass, 339, 340, 343, 344, 362
 Crusades, 3
 Cumberland House, 35, 63
 Cumberland Road, 77
 Cumberland Valley Railroad, 75
 Cunard, Samuel, 115
 Curtin, Jeremiah, 355
 D'Almeida, 6
 Davis, John, 11, 18
 Dawson Road, 145, 173, 181
 Dawson, S. J., 108, 111, 153
 Dease, Peter Warren, 73
 Dennis, Col. J. S. (father), 147
 Dennis, Col. J. S. (son), 361, 381
 De Noyon, 25, 26
 De Quincey, Thomas, 84
 Detroit, 20, 28
 Dewdney Trail, 103, 339
 Dias, 6
 Dickens, Charles, 76
 Disraeli, Benjamin, 144, 190, 194, 220
 Dobbs, Arthur, 35
 Dodge, General, 126, 232, 237, 273, 368
 Dominion Atlantic Railway, 369
 Douglas, James, 82, 103, 108, 129, 130
 Drake, Sir Francis, 12, 97, 313
 Drinkwater, Charles, 213, 216, 228
 Dufferin, Lord, 165, 171, 192
 Duggan, G. H., 264, 272
 Du Lhut, 10, 25
 Duluth, 26

Durham boats, 68, 76, 79
 Durham, Lord, 72, 73, 75, 83
 Dutch, also Dutch East India Company, 12,
 32, 33, 85, 88, 89
 Eagle Pass, 131, 133, 159, 160, 255, 267,
 271, 273, 291, 292, 294
 East India Company, 14, 16, 29, 30, 41,
 43, 46, 50, 56, 84; 88
 East Indiamen, 31, 87
 Edmonton, 27, 47, 62, 93, 103, 129, 181,
 215
 Edward IV, 4
 Egan, John M., 229, 295
 Elder Dempster Line, 349, 358, 365
 Elizabeth, Queen, 5, 12, 15, 22, 29
 Emerald Lake, 243
 Empress Hotel, Victoria, B. C., 367, 396,
 398
Empress of Asia (ship), 370, 375, 376,
 377, 392
Empress of Australia (ship), 392
Empress of Britain (first ship), 359, 365,
 377; (second ship), 393
Empress of Canada (ship), 393
Empress of China (sailing ship), 41, 42
 (ship), 335
Empress of France (ship), 377
Empress of India (ship), 335, 357, 378
Empress of Ireland (ship), 359
Empress of Japan (first ship), 335, 377
 (second ship), 393
Empress of Russia (ship), 370, 375
Empress of Scotland (ship), 392
 Esquimalt, 130, 180, 183
 Fenians, 138, 143, 144, 146, 152, 153, 155,
 167, 178, 229, 234
 Fitzgerald, Edward, 380
 Fleming, Sandford, 116, 117, 118, 144, 159,
 161, 162, 163, 164, 167, 181, 184, 186,
 208, 215, 222, 236, 254, 255, 256, 294,
 296, 361
Flint, W. B. (ship, see *W. B. Flint*), 307,
 310
 Fond du Lac, 25
 Fort à la Corne, 27
 Fort Camosun, Victoria, B. C., 98
 Fort Chipewyan, 40
 Fort Douglas, 64, 155, 182, 183
 Fort Garry, 54, 66, 93, 117, 121, 127, 128,
 140, 148, 149, 150, 153, 155, 156, 173,
 175, 288
 Fort George (Astoria), 56, 60
 Fort George, B. C., 47
 Fort Gibraltar, 62, 64

Fort La Jonquière, 27
 Fort La Reine, 26
 Fort MacLeod, 182, 183
 Fort Maurepas, 26
 Fort Rouge, 27
 Fort Simpson, 82
 Fort Vancouver, 68, 82, 93, 95, 96, 97,
 98, 99
 Fort William, 26, 39, 60, 61, 65, 82, 111,
 165, 178, 180, 181, 182, 184, 314, 318,
 344
 Fort York (Toronto), 74, 75
 Foxe, Luke, 14, 313
 Francis I, 5, 7
 Fraser River, 44, 82, 97, 98, 100, 102, 103,
 104, 111, 112, 113, 129, 131, 134, 159,
 161, 163, 185, 186, 188, 189, 197, 217,
 219, 255, 266, 271, 332, 339, 341
 Fraser, Simon, 44, 47, 48, 58, 65
 French River, 18, 39, 60, 198
 Frobisher, Martin, 10, 18, 313
 Frontenac, Count, 19, 336
 Fuchow, 85
 Fujiyama, 1, 91
 Fur, 7, 8, 9, 18, 19, 20, 21, 22, 23, 24, 25,
 26, 27, 28, 36, 37, 40, 42, 43, 45, 46,
 48, 49, 50, 51, 54, 56, 63, 64, 70, 71,
 94, 98, 108, 111, 176, 233
 Fu-Sang, 16, 17
 Galt, A. G., 116, 141, 143
 Galt, John, 78, 81, 117, 141
 Garraway's Coffee House, 22, 29
 George III, 17, 34
 George V, 356, 399
 Germans, 371, 372, 374, 375, 377
 Gilbert, Sir Humphrey, 10, 11
 Glacier, B. C., 304, 305
 Glengarry, 81
 Gold Range, 131
 Goldsmith, Oliver, 27, 32
Grand Hermine (ship), 9
 Grand Portage, 39, 40, 41, 46, 49, 60, 111
 Grand Trunk, 107, 117, 140, 150, 168,
 198, 199, 201, 202, 222, 236, 248, 250,
 256, 261, 262, 263, 290, 291, 329, 331,
 361, 362, 387, 388, 389, 400, 402
 Grand Trunk Pacific, 362, 387, 399, 400
 Grant, Cuthbert, 64
 Grant, Rev. George M., 166, 174, 254
 Gray, Captain, 43
 Great Lakes, 23, 25, 62, 65, 78, 79, 104,
 245, 249, 264, 384
 Great Northern Railroad, 193, 209, 249,
 338, 339, 342, 354, 362

- Great Slave Lake, 41
 Great War, 374-383
 Great Western Railway, 105, 106, 250
 Greenland, 10, 11, 14
 Greenway, Thomas, 323, 326, 328, 362
 Groselliers, 23
 Halifax, Nova Scotia, 31, 73, 74, 76, 79, 115, 212, 303, 309, 310, 333, 349, 358, 364, 369, 402
 Hall, Grant, 385, 386
 Ham, George H., 192, 225, 351, 387
 Hancé, M. J., 292, 295
 Harmon, D. W., 48
 Harris, Sir Arthur, 379
 Hawaii, 36, 85, 87, 96, 97
 Hayes River, 62
 Hearne, Lafcadio, 337
 Hearne, Samuel, 35, 40
 Hector, James, 108, 109, 110, 242
 Helena, Montana, 27
 Hendry, Anthony, 27, 35
 Henry, Alexander, 40, 49, 50, 176
 Henry IV, 9, 18
 Henry VII, 7
 Hill, J. J., 175, 178, 191, 193, 197, 198, 201, 205, 206, 208, 210, 213, 214, 221, 229, 232-36, 245, 246, 248, 249, 256, 308, 323, 338, 339, 342, 346, 362, 363
 Hind, Henry Youle, 108, 112
 Hokusai, 90, 91
 Holt, H. S. (Sir Herbert), 242, cut on p. 250, 252-54, 264-66, 299
 Homathco Canyon, and Run, 134, 135, 162
 Hong Kong, 85, 91, 144, 197, 241, 272, 297, 303, 311, 312, 313, 314, 335, 343, 354, 375, 377, 391
 Honolulu, 36, 85, 87, 96, 97, 393
 Hope (Fort), 98, 131
 Howe, Joseph, 139, 144
 Howse Pass, 47, 108, 159
 Hudson Bay, 18, 23
 Hudson, Henry, 12, 13, 313
 Hudson's Bay Company, 23-25, 35, 37, 46, 52, 56, 62-70, 73, 82, 83, 94, 96-102, 107, 111, 117, 127, 132, 140, 141, 143, 144, 146-8, 151, 154, 156, 172, 173, 176-8, 185, 195, 220, 225, 260, 346, 355
 Hudson's Strait, 7, 10, 14, 23, 313
 Hui Sien, 16
 Hundred Associates, 10
 Illecillewaet River, 132, 254, 305
 Illinois Central Railway, 175
 India, 4, 5, 6, 7, 15, 18, 85, 130, 306, 312, 375, 377, 393, 394
 Intercolonial Railway, 76, 141, 144, 159, 161, 255, 261, 333, 369, 387
 International (steamer), 128, 154
 Irrigation, 361, 373
 Irving, Washington, 13, 70
 Jacobite, 37, 55
 James, C. A., 236
 Japan (Zipangu), 2, 4, 7, 87-90, 97, 120, 130, 136, 177, 191, 197, 233, 275-77, 300, 305, 307, 325, 332, 336, 337, 343, 346, 354-56, 366, 393, 394
 Java, 4, 12, 33, 85
 Jean- (brig), 114
 Jefferson, Thomas, 42, 50
 Jefferys, Thomas, 16, 17
 Johnson, Samuel, 32, 38
 Joliet, 19
 Juan da Fuca, 16
 Julien, Henri, 151, 169, 179, 244, 302, 346
 Kaministiquia, 26, 60, 153, 180
 Kamloops, 129, 131, 215, 219, 255, 271, 281
 Kananaskis Pass, 108
 Kane, Paul, 130
 Kennedy, John S., 193, 206, 211, 256
 Kicking Horse Pass, 108, 109, 110, 133, 184, 219, 242, 243, 244, 255, 264, 268, 275, 367
 Kingston, 20, 67, 79, 173, 184, 401
 Kittson, N. W., 175, 176, 178, 191, 205
 Kohn, Reinach and Company, 203, 206
 Kootenai House, 47, 98
 Kootenay Lake and River, 58, 94, 95, 103, 109, 133, 339, 340
 Kublai Khan, 2, 3, 4, 7, 8, 19, 31, 84
 La Barre, Governor, 20
 Labouchere, Henry, colonial secretary, 108
 Labouchere, Henry, editor of *Truth*, 224
 Labrador, 83, 121, 173, 250
 Lachine, 20, 70, 72, 73, 76, 79, 82, 83, 93, 115, 198
 Lacombe, Father, 174, 175, 237, 251, 252, 285
 Lake Erie, 19, 20, 40, 41, 81
 Lake Huron, 18, 19, 20, 39, 41, 60, 81, 107
 Lake Louise, 242, 252, 394
 Lake Nepigon, 166, 285
 Lake Nipissing, 18, 19, 60, 61, 167, 170, 180, 183, 198, 209, 212, 247, 249
 Lake of the Woods, 25, 41, 237
 Lake Ontario, 19, 40, 78

Lake Superior, 19, 25, 26, 39, 47, 60, 62, 65, 78, 108, 110, 111, 117, 145, 146, 149, 153, 164, 170, 198, 201, 203, 224, 245, 248, 249, 264, 279, 282, 316, 318, 361, 400
 Lake Windermere, 47, 95, 108
 Lake Winnipeg, 26, 41, 62, 63, 64, 66, 110, 112, 113
 Langdon, Sheppard & Company, 236, 240
 Lansdowne, Marquis of, 292, 294, 298, 301
 La Pérouse, Admiral, 42
 La Salle, 10, 19, 20, 22, 70, 336
 Laurier, Sir Wilfrid, 329, 346, 354, 361, 364, 369, 375
 La Vérendrye, 26
 Law, John, 21
 Leacock, Stephen, 352
 Lesczinska, Marie, 25
 Leland, Charles G., 16
 Le Roi (mine), 340, 341
 Lewis and Clarke, 51
 Lincoln, Abraham, 126
 Lorne, Marquis of, 195, 223, 226, 256, 258, 305
 Louis XIII, 9
 Louis XIV, 25
 Louis XV, 20, 24, 25, 31, 33
 Louisiana, 21, 45, 85
 Loyalists (U. S.), 80, 81, 138, 234
 Macao, 7, 29, 43
 Macartney, Earl, 34, 84
 Macdonald, John A. (Sir John), 82, 105-7, 114, 116, 138-44, 148, 150-52, 157, 158, 166, 170-72, 178, 180, 181, 184, 190, 194-99, 201, 203-5, 208, 210, 213-334, 342, 354, 368, 404, 406
 McDougall, Hon. William, 148, 158
 McGee, T. D'Arcy, 141, 142, 143, 229
 McGillivray, William, 37, 60, 65, 296
 McGill University, 345, 396, 401
 Mac Innes, Tom, 15, 16, 269
 McIntyre, Duncan, 198, 199, 202, 203, 204, 206, 210, 211, 215, 220, 222, 235, 250, 262, 301
 M'Kay, Alexander, 44
 Mackenzie, Donald, 52, 53, 54
 Mackenzie, Rt. Hon. Alexander, 165, 169-72, 178, 180, 181, 184, 190, 192, 209, 275, 278
 Mackenzie, Sir Alexander (explorer), 37, 38, 40, 41, 43, 45, 46, 52, 63, 64, 95, 97, 296
 Mackenzie, William Lyon, 82, 106

McLelan, Hon. A. W., 279-280, 288
 McLennan, Roderick, 159
 McLoughlin, John, 57, 82, 98, 100, 296
 MacNab, Sir Allan, 106, 140
 McNicholl, David, 352
 Macpherson, Hon. D. L. (Sir David), 168, 169, 203, 235, 282
 McTavish, Governor, 148, 296
 Magellan, 6
 Malabar, 6
 Manila, 375
 Manitoba South Eastern Railway, 244
 Maquinna, Chief, 43
 Marco Polo, 2, 3, 42, 84, 85, 87, 90, 356
 Marlborough, Duke of, 24, 25, 26
 Marquette, 19
 Martin, Joseph, 326, 362
 Mary, Queen, 31
 Mattawa River, 18, 39, 60, 62
 Meares, John, 16, 42, 43
 Medicine Hat, 240, 396
 Meighen, Rt. Hon. Arthur, 388
 Mennonites, 81, 191, 194
 Mexico, 5, 6, 8, 16, 20, 395
 Mexico, Gulf of, 1, 20
 Michigan Central, 232, 250
 Middleton, Thomas, 23
 Mills, Darius Ogden, 187, 299
 Milton and Cheadle, 129, 130
 Minneapolis, 175, 325, 331
 Minneapolis, St. Paul and Sault Ste. Marie Railroad, 338, 339, 342, 368
 Mississippi Company, 21, 26
 Mississippi River and Basin, 64, 123, 124
 Missouri, 26, 27, 51, 112, 124
 Mitchell, Peter, 120, 263
 Moberly, Walter, 130, 131, 132, 134, 159, 160, 161, 163, 216, 294, 298
 Monck, Lord, 113
 Montreal, 8, 26, 28, 39, 44, 47, 49, 52, 54, 56, 60, 62, 63, 67, 70, 71, 76, 77, 79, 93, 95, 98, 105-7, 115, 118-21, 139, 148, 168, 190, 193, 197-200, 210, 212, 221, 222, 223, 228, 245, 247-50, 253, 262, 274, 278, 287, 288, 290, 291, 294, 300, 303, 306, 307, 309, 316, 325, 326, 353, 359, 365, 371, 374
 Montreal Gazette, 188, 205, 306, 314
 Montreal Star, 152, 276, 277, 367
 Moodie, Susanna, 77
 Moody, Col. R. C., 103, 186, 340
 Moody, Harry, 263, 275, 279
 Moore, Tom, 67
 Morgan, Pierpont, 188

- Morrison, James, 118, 119, 193, 276
 Morton, Bliss and Company, 188, 195, 203
 Morton, L. P., 188, 195
 Morton, Rose and Company, 195, 203, 206, 211, 263, 290
 Moryson, Fynes, 14, 29
 Murray, John Clark, 345, 348
 Muscovy Company, 10, 12
 Nagasaki, 88
 Nanking, 32, 85
 Napoleon, 45, 63, 81, 114, 120, 146, 286, 351
 National Transcontinental, 362, 387, 399, 400
 Nelson River, 62
 Nelson, Wolfred, 71
 New Caledonia, 70, 102, 103
New Nation, 149
 New Zealand, 86, 136, 297, 364, 394
 Niagara, 20, 40, 81, 106, 124
 Nicolet, Jean, 19
 Ningpo, 85
 Nootka, 16, 42, 43, 45, 46, 54
Nootka (ship), 43
 Norquay, Premier, 317-22
 Northcote, H. S., 220, 222, 263
 Northcote, Sir Stafford, 171, 194, 220
 North East Passage, 10
 Northern Alberta Railway, 391, 402
 Northern Pacific Railway, 124, 150, 151, 161, 168, 171, 177, 193, 198, 209, 215, 227, 228, 244, 294, 323, 327, 328, 329, 362
 North Shore Railway, 228, 247, 263, 291
Northwest America (ship), 43
 Northwest Company, 40, 46, 51, 52, 54, 56, 59, 60, 61, 63, 64, 65, 78, 82, 85, 111, 116, 117, 153
 Northwest Mounted Police, 152, 237, 238, 253, 285, 284
 Northwest Passage, 2, 7, 10, 11, 13, 14, 35, 40, 41, 43, 45, 73, 130, 190, 313, 315, 356
 Northwest Territories, 145, 284, 337, 348
 Norway House, 62, 63, 66
 Nova Scotia Hotels, 395
 O'Donaghue, 146, 147, 178
 Ogden, I. G., 214, 234, 236, 343
 Okanagan Lake and River, 48, 58, 98, 341
 Onderdonk, Henry, 100, 185, 186, 189, 197, 217, 218, 222, 241, 255, 266, 267, 272, 273, 281, 292, 295, 299
 Ontario and Quebec Railway, 222, 244, 250, 253, 257, 261, 265
 Opium, 84, 85
 Oregon, 17, 93, 94, 97, 98, 99, 100, 101, 102, 289, 234, 281
 Osler, E. B., 222, 244
 Ottawa River, 8, 18, 20, 39, 60, 61, 62, 67, 70, 81
 Palliser, Capt., 97, 98, 108, 110, 111, 131, 133, 146, 219
 Panama, 5, 12, 18
 Papineau, 71, 82, 139
 Parsnip River, 44
 Peace River, 44, 163, 185, 186, 391
 Peiping (Cambulac), 2, 4, 34, 91, 120, 355
 Pembina, 173, 176, 178, 182, 192
 Pepys, Samuel, 22, 29
 Perry, Commodore, 89, 233
 Peru, 5, 6, 8, 12, 395
 Peterborough, 77, 81, 257
 Peter the Great, 36
 Piegan Indians, 47
 Piers, Arthur, 296, 297, 361
 Pitt, William, 34
 Pizarro, 6, 395
 Pope, Alexander, 31
 Pope, John Henry, 197, 200, 201, 203, 227, 287, 288, 289, 333
 Porcelain, 30, 31, 84, 325
 Portage La Loche, 41, 63
 Portage La Prairie, 26, 220
 Port Arthur, 153, 246, 249, 254, 256, 260, 276, 285, 400
 Port Moody, 188, 209, 212, 266, 267, 271, 272, 282, 289, 292, 293, 296, 304, 307, 314, 316
 Portuguese, 5, 29, 30, 43, 88
 Poundmaker, 285
 Routrincourt, Sieur de, 9, 10
 Price, Bruce, 316, 336
 Prince Edward Island, 80, 81, 143
 Prince Rupert, 23
Punch, 315
 Qu'Appelle Fort and River, 112, 113, 155, 285
 Quebec, 27, 28, 71, 73, 74, 76, 79, 98, 107, 111, 115, 143, 168, 176, 200, 228, 247, 263, 276, 291, 303, 310, 336, 357, 365, 402
 Queen Anne, 30, 31
 Queen Charlotte Islands, 46
 Quesnel, Jules, 47
 Rabelais, 8
 Radisson, 23

- Rainy River and Lake, 25, 26, 41, 62, 65, 181
 Raleigh, Sir Walter, 11
 Ramesay, Claude de, 21
 Ramsey, C. W. P., 379
 Reciprocity, 140, 144, 369
 Red Deer River, 27, 35
 Red River, 54, 62, 63, 65, 66, 67, 93, 94, 108, 110, 111, 112, 113, 117, 120, 126, 127, 128, 130, 141, 145, 146, 147, 148, 150, 152, 155, 164, 169, 170, 175, 176, 177, 178, 181, 182, 191, 193, 220, 221, 222, 234, 240, 317, 318
 Red River Valley Railway, 317-322, 323
 Red Sea, 5, 357, 377
 Reed, Charles B., 60
 Reed, Mrs. Hayter, 337, 340
 Reed, Sam B., 232, 273
 Regina, 236, 238, 245, 288, 297, 394, 402
 Rénach, Baron, 203, 263
 Revelstoke, 132, 270, 272, 291, 299
 Richelieu, 81
 Rideau Canal, 81
 Riel, Louis, 140, 146, 147, 148, 149, 150, 152, 153, 155, 175, 178, 283, 284, 285, 288, 289, 308
 Rivière du Loup, 107
 Roberts, Morley, 242, 268, 271, 273
 Rocky Mountain House, 62, 63
 Rogers, Major A. B., 132, 214, 216, 217, 242, 244, 251, 254, 255, 265, 273, 274, 294, 298, 299, 300
 Rogers Pass, 270, 272, 274, 367
 Rose, Sir John, 116, 152, 192, 195, 203, 290, 317
 Ross, Alexander, 51, 52, 59
 Ross, James, 242, 250, 252, 253, 264, 265, 272, 295, 299
 Rosser, General T. L., 214, 231
 Roisland, 340, 395
 Royal York Hotel, 395
 Rupert's Land, 23, 108, 140, 141, 143, 145, 176
 Russia, 10, 11, 12, 36, 46, 51, 58, 83, 85, 90, 96, 97, 119, 191, 199, 289, 307, 311, 312, 348, 355, 366, 374, 378
 Rut, John, 7
 Saguenay, 18
 St. Andrews, N. B., 74
 St. Anne, 39
 St. John, N. B., 74, 140, 199, 212, 250, 301, 310, 333, 364, 369, 402
 St. Lawrence and Champlain Railway, 72, 73
 St. Lawrence, Gulf and River, 7, 8, 18, 20, 23, 39, 40, 52, 62, 67, 68, 70, 78, 80, 124, 140, 197, 198, 201, 249, 310, 336, 354, 357, 358
 St. Malo, 8, 9
 St. Mary River, 74, 220
 St. Paul, 112, 113, 127, 149, 175, 176, 178, 192, 193, 224, 236, 260, 268, 325, 331
 St. Paul, Minneapolis, and Manitoba Railway, formerly St. Paul and Pacific, 152, 175, 177, 178, 191-3, 201, 220, 221, 232, 249, 323, 339
 Salisbury, Lord, 278, 301, 311, 312, 335, 356, 374
 Sandwich, Earl of, 35
 Sandwich Islands (See also Hawaii), 53, 56, 136
 San Francisco, 12, 86, 96, 102, 124, 126, 136, 187, 229, 241, 275, 276, 305, 332
 Saskatchewan River, 27, 35, 41, 47, 62, 63, 66, 112, 113, 177
 Saskatoon, 27
 Sault Ste. Marie, 19, 39, 60, 78, 220, 249, 325
 Savona's Ferry, 266, 292, 314
 Schneider, C. C., 255, 272
 Schreiber, Collingworth, 222
 Scots (See also Ancient League), 37, 159, 313, 386
 Scott, Thomas, 150
 Sea-otter, 42
 Secretan, J. H. E., 215, 231, 236
 Selkirk, Lord, 63, 65
 Selkirk Mountains, 132, 133, 166, 219, 242, 244, 254, 255, 270, 274, 300, 304, 309, 314, 316, 367
 Temple, Robert, 64, 65
 Shanghai, 85, 331, 312, 314
 Shaughnessy, T. G. (Lord), 229, 230, 236, 252, 262, 279, 335, 336, 343, 345, 349, 351-384, 385, 388, 389, 400
 Short Line (C. P. R.), 74, 309, 333, 378
 Shuswap Lake, 131, 132, 159
 Siberia, 46, 51, 355, 374
 Sifton, Sir Clifford, 347, 360, 363, 364
 Silk, 4, 29, 71, 84, 91, 394
 Simpson, Sir George, 52, 54, 56, 57, 62, 65, 66, 68, 70, 72, 82, 93, 94, 95, 96, 97, 98, 108, 127, 130
 Simpson Pass, 103
 Skuxxy (steamboat), 217-18
 Slocan, 340
 Smith, Capt. John, 12

- Smith, Donald A. (Lord Strathcona), 47,
52, 70-72, 76, 79, 83, 93, 115, 120-22,
148, 149, 155, 168, 171-74, 181, 192,
204, 205, 210, 252, 258, 260, 262, 263,
278, 280, 287, 294, 296, 297, 301, 314,
319, 320, 324, 334, 338, 345-48, 357,
363, 364, 368, 372-73
Smith, Goldwin, 260, 275, 318
Smith, Marcus, 134, 162, 163, 186, 188,
294
Smith, Senator Frank, 287
Souris River, 64
South Eastern Railway, 199, 250
Southern Pacific Railroad, 124
South Sea Company, 21, 43, 46, 52
Spanish, 3, 5, 6, 12, 26, 42, 43, 45, 85,
88, 96
Spice Islands, 5, 33
Stanley, Lord, 326
Steele, Col. Sam, 265, 284, 286, 348
Stephen, George (Lord Mount Stephen),
118-22, 148, 173, 192, 193, 197-99, 201-
66, 210-334 (*passim*), 338, 341, 342,
347, 368, 371, 404, 405
Stickney, A. B., 213, 229
Stornoway, 38
Stuart, John, 37, 47, 48, 54, 70, 72, 83, 296
Stuart, Robert, 37, 53, 54
Sudbury, 249, 250, 400
Suez Canal, 190
Swan River, 66
Swift, Dean, 22
Taché, Archbishop, 126, 128, 174
Taché, Sir E. P., 106, 140, 143
Talbot, Settlement, 78, 81
Talon, Intendant, 19, 26
Tarte, Joseph Israël, 354, 356
Tea, 29, 56, 57, 84, 307
Thompson, David, 46, 47, 61, 98, 132, 133,
159, 296
Thompson River, 113, 129, 159, 163, 186,
189
Thornton, Sir Henry, 388
Three Rivers, 23, 79
Tilley, Sir S. L., 140, 141, 145
Tonquin (ship), 51, 52, 53
Toronto (Fort York), 74, 75, 105, 107,
112, 167, 168, 170, 212, 222, 248, 252,
283, 287, 316, 384, 402
Toronto Globe, 141, 147, 171, 180, 181,
200, 264, 309
Toronto, Grey and Bruce Railway, 250, 278
Trail, B. C., 340, 381, 395
Traill, Catherine Parr, 77
Train, George Francis, 321-22
Trans-Siberian Railway, 199, 312, 355, 370
Trutch, Joseph, 132, 157, 159, 188, 189
Truth, 224-27
Tupper, Doctor (Sir Charles), 139, 143,
149, 150, 172, 191, 194, 196, 201, 203,
222, 242, 243, 258, 261, 279, 280, 290,
303, 309, 311, 319, 333, 347
Tyler, Sir Henry, 202, 248, 250, 262, 326,
329
Union Pacific Railroad, 126, 135, 161, 229,
232, 233, 237, 273, 292, 331
Valdivia, 6
Vancouver, 231, 277, 294, 297, 304, 307,
311, 314, 315-16, 325, 357, 367, 370,
371, 375, 377, 393
Vancouver, Capt. George, 16, 42, 45, 162
Vancouver Island, 16, 46, 82, 86, 101, 102,
103, 117, 130, 135, 157, 163, 180, 183,
185, 222
Van Horne, Sir William, 13, 101, 186, 201,
207, 229, 230, 231-350 (*passim*), 351,
354, 358, 363-66, 368, 369, 384, 385
Vasco da Gama, 6
Vaudreuil, Governor, 26
Vermillion Pass, 108, 109, 133
Victoria, B. C., 98, 100, 102, 131, 157, 160,
167, 185, 222, 267, 289, 292, 307, 357,
362, 367
Victoria, Queen, 31, 102, 129, 299, 305,
306
Vladivostok, 312, 355
Voyageurs, 26, 37, 39, 40, 44, 47, 53, 61,
111, 156
Waddington, Alfred, 134, 135, 136
Waller, Edmund, 29
Watteau, Antoine, 25, 31, 32
W. B. Flint (ship), 307, 310
West Indies, 393, 394
Whistler, James McNeill, 90
Whyte, William, 262, 327, 331, 355
Wild Horse Creek, 133, 339
Wilson, Tom, 242, 243, 296
Windsor Station (Montreal), 316, 325, 369,
403
Winnébagos, 19
Winnipeg, 93, 174, 175, 181, 191, 197,
201, 214, 215, 220, 221, 222, 230, 231,
233, 234, 237, 243, 248, 254, 275, 289,
297, 306, 314, 317, 318, 320, 325, 355,
362, 363, 373, 387, 399
Winnipeg River, 26, 155
Wolseley, Col. Garnet, 120, 140, 148, 150,
152, 153, 154, 155, 156, 288

INDEX

423

Yale, 98, 103, 131, 188, 219, 267, 271,
292, 295

Yellowhead Pass, 104, 129, 136, 159, 161,
163, 164, 184, 185, 186, 214, 215, 229,
242, 243, 254, 275

Yoho Valley, 242

Yokohama, 87, 197, 276, 307, 311, 312,
343, 354, 370

York Boats, 66, 79

York Factory, 27, 62, 64, 66

Yukon, 354

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